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NEWS SUMMARY

GENERAL

Crisis as Lebanon fighting kills 60

Fierce fighting in Lebanon killed 60 and wounded 300, and threatened Premier Chafik al Wazzan's government with collapse.

Syrian peacekeeping forces clashed with Christian militias in Beirut and the provincal town of Zahle.

President Elias Sarkis called an emergency cabinet session while a cabinet member from Zahle flew to Damascus for talks with Syria's President Assad. Page 2

Yugoslav riots

Yugoslavia declared a state of emergency in the southern Kosovo province after two deaths in Albanian nationalist riots threatened the country's delicate political balance.

Police probe

West Yorkshire Chief Constable Ronald Gregory will face a police investigation headed by another chief constable. The allegations were not revealed.

Claim may end

The U.S. is expected to drop its International Court of Justice claim for damages from Iran for taking 52 U.S. hostages. Iran deficit, Page 2

Chunnel talks

A £3.8bn plan for a road-rail bridge and tunnel across the English Channel was discussed by the chairmen of British Rail and British Steel. Page 3

Rig design 'bad'

Poor design and security precautions contributed to the Alexander Kielland oil rig capsize off Norway last year, a report said.

Reagan fevered

President Reagan, recovering from an assassination attempt, had a slight fever. Doctors said "temperature elevation" was normal.

Thais make up

Thailand's attempted army coup ended with handshakes all round and promises of leniency. Page 2

Swiss to vote

Swiss will vote in a referendum tomorrow on a better deal for 410,000 foreign guest workers.

Hoaxer jailed

A 17-year-old American student was sentenced to three months' jail in Manchester for a bomb hoax on a airliner on Thursday.

Starvation near

Six urban guerrillas were near death in a hunger strike to demand better jail conditions in West Germany.

Secret service

The SAS were given the freedom of Hereford, where they are based, at a secret ceremony amid tight security.

Robbed blind

Brighton thief was sentenced to 240 hours' community service after snatching jewels worth £9,000, removing his glasses as a disguise, and falling over a parked car.

Briefly . . .

British group Bucks Fizz are favourites in today's Eurovision song contest.

Sunday Express is to publish a colour supplement tomorrow.

£250,000 Premium Bond prize went to 11VF 25454, Bucks.

BUSINESS

Sterling off 2.35c; Equities shed 2.3

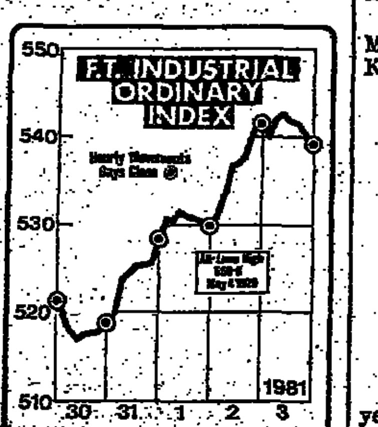
● STERLING fell sharply in London after Thursday's decline in New York, closing 2.35 cents down at $2.2055. It finished at DM 4.68 (DM 4.7025) and FFr 11.02 (FFr 11.0975). Its trade-weighted index was 99.5 (100.1). Page 23

● DOLLAR strengthened as tension mounted over the Polish situation. It closed at DM 2.1210 (DM 2.1090), SwFr 1.9340 (SwFr 1.9240), but eased to Y213.10 (Y213.90). Its trade-weighted index was 101.0 (100.2). Page 23

● BELGIAN CENTRAL BANK spent BFr 8bn (£103.5m) on intervention in the foreign exchange markets to support the franc.

● GOLD rose $3 in London to $523.5. Page 23

● EQUITIES eased slightly amid occasional profit-taking, and the FT 30-share index fell 2.3 to 539.6, a gain of 18.3 on the week. Page 24



● GILTS were firm, with the Government Securities Index off 0.04 at 70.06. Page 24

● WALL STREET was unchanged at 1,009.01 before the close. Page 20

● TREASURY BILL rate fell for the third week running—to 11.43 per cent. Back Page; Editorial Comment, Page 16

● WEST GERMANY may take a DM 10bn (£2.1bn) credit from an Arab oil producer to ease its budget difficulties. Page 2

● UK FARMERS' incomes will continue to fall despite the EEC farm prices increase agreed this week, Agriculture Minister Peter Walker said. Page 4

● NORTH SEA GAS gathering projects' cost has risen from £2bn to £2.74bn. Major changes are planned by its organisers. Back Page

● CONSTRUCTION industry accused the Government of weakness in the face of public sector pay demands "at the expense of private sector jobs." Page 4

● CLYDESIDE SHIPYARD workers held mass meetings, and 200 Tyneside workers walked out after British Shipbuilders issued compulsory redundancy notices. Page 5

● SAUDI ARABIAN businessman Gaith Pharaon offered to pay $56.5m (£25m) for the outstanding common stock of U.S. hotel chain Hyatt International.

● BARDSEY, the quoted property company in which John Bentley has a large interest, made a £5.7m bid for London and European group. Page 18

● HUTCHISON WHAMPOA, the Hong Kong trading group, reported 1980 profits, after tax and minorities, up 25 per cent to HK$410.8m (£34.8m). Page 21

● SCOTTISH TELEVISION reported pre-tax profits of £2.03m for 1980, against £1.72m. Page 18

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Armstrong Equip.	50	+ 5
Bank of Scotland	328	+ 15
Bishop's Stores A	100	+ 8
Blackwood Hodge	47	+ 6
Bluebird Confec.	61	+ 7
British Sugar	300	+ 10
Clark (Matthew)	140	+ 6
Dunhill (A.)	228	+ 36
Early (Chas) & Marr.	26	+ 5
Elys (Wimbledon)	207	+ 12
Erskin House	54	+ 6
Expanded Metal	61	+ 10
Jamaica Sugar	25	+ 7
Johnson Grp (Clnrs)	220	+ 7
LWT A	99	+ 11
Ladbroke	308	+ 6
Mills & Allen Int.	398	+ 15
Pritchard Services	164	+ 14
Redfearn Nat. Glass	183	+ 13
Sale Tilney	178	+ 8
Tate of Leeds	94	+ 10
Thorn EMI	352	+ 6
Bond Corp.	194	+ 22
MIM Hldgs.	252	+ 16
Poseidon	269	+ 12
Western Hldgs.	£35¼	+ 1¼
Western Mining	290	+ 17
FALLS		
Bridon	54	− 4
Burgess Products	48	− 4
GEC	683	− 10
Hawker Siddeley	324	− 8
Land Securities	428	− 5
Petrocon	32	− 4
Sharna Ware	148	− 7
Upton (E.) A	28	− 4
BP	380	− 10
Burmah Oil	154	− 7
LASMO	563	− 20
Tricentrol	280	− 14
Minorco	625	− 40

East Germans link Warsaw Pact moves with Solidarity

BY OUR FOREIGN STAFF

EAST GERMANY has for the first time linked the presence of thousands of Warsaw Pact troops in Poland with alleged "counter-revolutionary activities," the phrase used in the Eastern bloc to describe the activities of the Solidarity trade union movement.

Volksarmee, the East German army newspaper, said the military exercises which began on March 18 demonstrated that the forces involved would carry out "any task" to "defend socialism."

The troops understood the "threatening extent" to which "aggressive circles of imperialism" were supporting "counter-revolutionary activities."

The Poles' isolation was increased as the Soviet Union followed the example of East Germany and Czechoslovakia and banned all travel from Poland into its territory, except for visitors on official business.

There were also reports that Moscow had called for a Warsaw Pact Summit meeting during the Czechoslovak Party Congress, which starts in Prague on Monday.

At a similar gathering in Moscow recently Mr. Stanislaw Kania, the Polish Party leader, was instructed to contain the activities of Solidarity.

Moscow's present feelings were reflected yesterday in a report in the Communist Party paper, Pravda, which called on the Polish leadership to fight attempts to weaken discipline in the Party — the first time Moscow has criticised the Polish Party.

On Thursday night the U.S. warned that the situation in Poland was now "very serious" and that the Soviet Union had recently increased its capacity to intervene in the country.

Signs of Mr. Kania's difficulties appeared on Thursday night as he and other members of the Politburo started their campaign for re-election.

Attending a party rally near Katowice, a hardliner, Mr. Stefan Olszowski, faced complaints of a lack of contact with the leadership of the party. Other meetings echoed the complaint.

Although there were no signs in Warsaw yesterday that the feeling of high tension had worsened, and Western observers said they had no cause to believe military intervention was imminent, East European officials claimed the manoeuvres had given the Warsaw Pact a unique opportunity to establish fuel dumps and ammunition depots in Poland.

In Washington the U.S. State Department warned that fresh military preparations round Poland's borders had made the Soviet Union "capable of moving at any time."

Christopher Bobinski in Warsaw writes: Talks began yesterday between a Polish Government commission and private farmers who have been occupying a building in Bydgoszcz in support of their demands for official recognition of a union for private farmers.

The local branch of Solidarity suspended a strike alert which has been in force in the area since the police beat up a local union leader there on March 19.

Peter Riddell writes: European foreign exchange markets remained highly volatile because of the uncertainty about what was happening in Poland.

Trading in the morning was relatively quiet and the dollar had slipped back after its large gains on Thursday evening. But the U.S. currency rose in the afternoon in London, partly reflecting higher U.S. interest rates.

Transport Union supports move to block Benn

BY RICHARD EVANS AND CHRISTIAN TYLER

Britain's biggest trade union yesterday added its weight to the growing campaign in the Labour Party to persuade Mr. Tony Benn to withdraw his candidacy for the deputy leadership.

The Transport and General Workers Union, although Left-wing led, sympathetic to many of Mr. Benn's ideals, and no great friend of Mr. Denis Healey, took the unusual step of publicly announcing its decision.

After a meeting of the union's "inner cabinet," the finance and general purposes committee, Mr. Alex Kitson, deputy general secretary, issued a statement supporting Mr. Michael Foot's appeal to Mr. Benn to withdraw his nomination.

The priority now was to "unite behind the present leadership in our determined effort to throw out this most reactionary Thatcher Government and replace it with a Labour government committed to carry out socialist policies."

Mr. Kitson, as Labour Party chairman sent a note to Mr. Benn in the same vein after trying to contact him by telephone to tell him of the union's decision.

If Mr. Benn does not take the union's advice, a strong move in union ranks to ensure his defeat in the election is certain to begin.

The TGWU's decision yesterday coupled with the efforts of the big moderate unions make it most unlikely that Mr. Benn could get far in an electoral college vote, especially now the unions have 40 per cent of that vote.

Labour leaders yesterday stepped up their efforts to undermine Mr. Benn's campaign by branding him as needlessly divisive and disloyal.

Shadow Cabinet members, including Mr. Michael Foot, believe there is a chance that Mr. Benn will decide not to stand against Mr. Healey in September because of the scale of the pressures against him. But there is no evidence to support this.

The central tactic of Mr. Benn's critics—who include every other member of the Shadow Cabinet—will be to isolate his support to a section of Left-wing Tribune Group of MPs and a few trade unions. There is, nevertheless, a belief that a contest will greatly benefit the Conservatives and the Social Democrats.

An indication of the inevitable conflict came last night in a speech from Mr. Roy Hattersley, Shadow Home Secretary, who referred to the arrogant authoritarianism of Mr. Benn's supporters.

"Perhaps we must reconcile ourselves to the party being increasingly damaged between now and October. But, in heaven's name, let October be the time when the need for unity transcends personal ambition and ideological fanaticism," Mr. Hattersley said in Kendal, Cumbria.

There were growing signs of the depth of the divisions in the Tribune Group over Mr. Benn's move. A special meeting is to be convened on Monday week to discuss the implications.

The indications are that a substantial proportion of the group—almost certainly more than half—will condemn Mr. Benn for "disloyalty" to Mr. Foot, following the group's decisions last November not to contest the deputy leadership.

There is also deep antagonism

Continued on Back Page

Narrow backing for postal plan

BY NICK GARNETT, LABOUR STAFF

THE POST OFFICE appeared yesterday to be on the brink of securing a big boost in its battle to improve postal efficiency.

A special delegate conference of the Union of Communication Workers narrowly voted, 5,957-5,812, against a motion which would have rejected the Improved Working Methods scheme.

The conference in Bournemouth will vote today on the executive substantive motion supporting future use of these voluntary schemes. National union officials expect it to receive majority support.

The schemes, which have been operating on a trial basis since last June, have helped reverse the general slide in postal efficiency over the past decade.

It is being used in about 210 offices involving 24,000 workers, and has assisted in removing some of the damaging restrictive practices endemic in many big sorting offices, particularly in London.

In the capital 2m-3m staff hours have already been saved since the scheme was introduced, and £3m in bonuses has been paid out. The schemes are based on improved work practices, time flexibility and manning reductions. Staff receive bonuses of at least 70 per cent of the staff hours saved.

The Post Office has made clear that management would unilaterally force the pace on efficiency, with an inevitable rise in disputes, if the schemes were rejected.

Union officials expect the decision to ease the annual pay negotiations, in which postmen have been offered 6 per cent.

Mr. Tom Jackson, UCW general secretary, said yesterday that he expected the Post Office now "to be more liberal in pay bargaining."

Full endorsement of the schemes, unanimously backed by the UCW executive, would be a personal triumph for Mr. Jackson.

He told delegates yesterday that rejecting the schemes "will run our membership into incredibly deep trouble."

The industry faced major problems, he said, and if the schemes were not approved sweeping service cuts would be introduced, resulting in great loss of jobs.

The man opposition to the schemes came from some big branches, such as Liverpool, Glasgow and Manchester. Delegates said that they were divisive, unfair and geared only to conditions in London.

Wholesale prices in U.S. up 1.3% in March

By Jurek Martin in Washington

U.S. WHOLESALE prices rose last month by the biggest amount since July last year, largely because of sharply higher fuel costs.

The 1.3 per cent monthly advance in the producer price index for finished goods compares with increases of 0.9 and 0.8 per cent in January and February respectively. The index in March was 10.5 per cent higher than in the same month last year.

President Ronald Reagan's decision to end the remaining price controls on domestic oil had a particular impact in March, even more so than in February. Home heating oil cost 9 per cent more than in February and petrol was up 7.5 per cent.

Wholesale food prices, which declined in two of the three previous months, rose in March by 0.8 per cent, with surges in the price of fresh vegetables leading the way.

Unemployment remained at 7.3 per cent, with 7.76m out of work. Black teenage unemployment jumped to 37.3 per cent and that for adult blacks to 13.7 per cent.

Evidence of quickening inflation has taken some of the gloss off the Government's satisfaction about Thursday night's approval by the Senate of even deeper Budget cuts than those proposed in February and March by the President in his first Budget speeches.

The Senate's action, while only the first in the four-part legislative process on the economic package, was a demonstration of the tight Republican control over the chamber. The lop-sided final vote—88-10—may have reflected in part the desire to give the President a sign of positive encouragement after his brush with death earlier this week.

The Senate approved $36.9bn (£16.7bn) in spending cuts for the 1982 fiscal year beginning in October, or $2.5bn more than Mr. Reagan had asked for.

Mr. Reagan originally asked for $48.6bn in cuts. But the Senate uses a different Budget base and by its calculation the President's $48.6bn was equivalent to $42.9bn. The Senate then subtracted from that a further $8.8bn in budgetary savings proposed by the President but over which Congress has no direct jurisdiction, leaving a net Presidential request of $34.1bn.

Industrial revolt over rate increases grows

BY ANDREW TAYLOR

LOCAL AUTHORITIES face a growing revolt by companies over commercial rate increases planned for 1981-82.

BL yesterday lodged its second appeal in the courts over rate increases in the Midlands while a major subsidiary of Thomas Tilling warned that it would have to close some of its plants if rate increases are not curbed.

London Life Association, the insurance group, is also considering taking action against a "penal rate surcharge" it has received from the London Borough of Enfield on a 37,000 sq ft factory for which it is the landlord and which has remained empty since November 1979.

● BL, headed by Sir Michael Edwardes, yesterday lodged an appeal against a 31.6 per cent rate increase proposed by Coventry City Council. The company said this would increase the rate bill for all its Coventry factories and offices from £2.1m to £2.8m.

Appeal

The move follows an earlier appeal by BL against a 28.4 per cent rate increase proposed by the Metropolitan Borough of Solihull which the company says would increase the rates bill on its Land Rover and Range Rover plant in Solihull from £1.32m to £1.69m.

BL said the appeals against rate increases in Solihull and Coventry were being lodged under Section 7 of the 1967 Rates Act "which provides a legal procedure for challenging the making of a rate if there is reason to believe the council is acting irresponsibly and failing to take into account relevant considerations including government guidance."

● TILCON, a subsidiary of Thomas Tilling, the diversified construction and industrial group, has written to 117 local authorities in whose areas the company has works, warning that plant closures may take place if rate increases are not curbed. Tilcon is the UK's fourth largest producer of sand gravel and hard rock with a turnover of more than £200m.

Mr. Gordon Lee, the company's managing director, told the councils: "Those areas which show little or no restraint in their demand for rate increases will find that as a first step there will be plant closures or withdrawals and inevitably a permanent loss of rate income."

Mr. Lee said there had been no serious attempt by town halls to cut expenditure, unlike private industry. In 1980 Tilcon's rates bill had risen more than 20 per cent to more than £1m. As a result of this and other rising costs, particularly from nationalised industries, the company had been forced to cut its workforce of about 5,500 by 10 per cent.

Last year pre-tax and pre-interest profits of Tilcon, which also makes ready-mixed concrete and mortar and has a road-surfacing and road maintenance operation, are understood to have fallen from more than £18m to just over £13m.

● LONDON LIFE said it had received a rates surcharge of £19,000 on an empty factory in Edmonton, North London, on which the insurance group says it has already paid rates of £26,000.

London Life has been trying to let the building since it was vacated by a subsidiary of Thorn electrical group in 1979. Rents of as low as £1 a sq ft have been asked but there have been no takers for the 40-year-old factory.

Mr. Derek Brightwell, chief surveyor for London Life, said: "It is hardly an incentive to institutions such as my own to continue to develop industrial properties in anticipation of the upturn in the economy if we continue to be punished in this short-sighted manner."

Angry

Many other areas of British industry and commerce are also angry about planned rate increases for 1981/82, when the private sector has been achieving single figure wage settlements and has been forced to heavily prune workforces. The Government is now considering a plan to prevent local authorities increasing commercial and industrial rates by more than a centrally-determined percentage each year.

In 1981/82 commercial and industrial rates are planned to increase by an average of about 17 per cent, but in some areas the percentage figure is much higher. Inner London commercial rates for example are planned to rise by 33 per cent.

£ in New York

—	Apr. 2	Previous
Spot	$2.2030-2060	$2.2430-2445
1 month	0.32-0.36 pm.	0.20-0.27 pm.
3 months	1.15-1.25 pm.	1.00-1.10 pm.
12 months	4.50-4.70 pm.	4.10-4.30 pm.

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Trudeau regains initiative on Canada constitution

By im Rusk in Ottawa

MR. PIERRE TRUDEAU, the Canadian Prime Minister, has regained the initiative in the acrimonious debate of his proposal to give Canada a constitution of its own.

At the beginning of this week Mr. Joe Clark, leader of the Progressive Conservative opposition, stalled proceedings with a filibuster in the Canadian House of Commons, using every trick in the book of procedure. Worse came on Tuesday when the Newfoundland Court of Appeal denied Mr. Trudeau's right to put through his proposals without the approval of the Canadian provinces.

The key point of Mr. Trudeau's plan is to invite the British Parliament to abrogate and pass to Canada the right it still enjoys to change the Canadian constitution. In addition he is proposing a Bill of Rights and a procedure for future changes to the constitution to be made in Canada without Westminster's endorsement.

Mr. Trudeau reacted to the rebuff from Newfoundland — the Government had earlier won a similar case in Manitoba — by proposing to refer the entire question to the Supreme Court of Canada. If he wins there, he should have no difficulty in gaining Westminster's approval

Guillotine

Even so, his offer to delay forwarding the constitutional resolution to London until the Supreme Court has ruled on its validity, left Mr. Clark in a difficult position. Since the constitutional debate began last October, the Conservative Opposition has been pressing the Government to obtain such a ruling before Britain is asked to deal with the resolution.

Mr. Clark's stategy since starting the filibuster last week against a Government resolution to limit the constitutional debate to four more days, has been to force the Government to use the guillotine to get the resolution through. He took the line that Parliament ought not to pass a resolution which a court has ruled illegal.

Mr. Trudeau's constitutional ally, the New Democratic Party leader, Mr. Edward Broadbent, painted the former Prime Minister all the way into the corner by making a suggestion, taken up by Mr. Trudeau, that the House deal with all the amendments to the resolution to get it in final form, refer it to the court and pass it quickly through the House in a limited debate once the court has found it to be legal.

Unless Mr. Clark's only strategy is to be totally obstructionist, he has little choice but to allow passage and referral. However, he knows the Liberal Government is reluctant to use the guillotine as that would mean that the New Democratic Party might not be able to introduce an amendment to which the Government has already agreed, and Mr. Trudeau might lose NDP support on the final vote.

While the House leaders of the three parties were still discussing a way out of the impasse yesterday, the Conservatives made it clear that their intransigence was easing by suspending their filibuster temporarily to allow the House to debate a borrowing authority Bill.

Superseded

The Supreme Court has set April 28 for hearing the appeal from the Manitoba judgment but that appeal, and the one expected from the Newfoundland ruling, would be superseded by the direct referral of the Trudeau package as passed by Parliament.

The lower court judgments are on the resolution in the form in which it entered Parliament but the referral would be on the motion in its final wording.

Although it is not certain that Mr. Trudeau's Government will win its case in the Supreme Court, a victory is expected to ease all the problems of passage through the British Parliament.

From the outset of the constitutional debate any doubts that Westminster would pass the resolution have concerned questions about the legality of unilateral action by the Canadian Government.

Under the procedure now being followed in Ottawa, Britain will only have to deal with the resolution if the Canadian Supreme Court sanctions the procedure. To reject the resolution Westminster would have to ignore both the century-old tradition that it does not look behind a joint resolution from the Canadian Parliament and a ruling of the highest Canadian court that it need not do so.

The constitutional resolution could be sent to London late in the spring. And, even if it is too late to get British Parliament approval by the psychological deadline of July 1—Canada's national holiday — it is clear that the only real obstacle now could be put up by the Canadian Supreme Court.

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Tehran runs up budget deficit of £5.2bn in 1980

BY TERRY POVEY IN TEHRAN

IRAN'S GOVERNMENT ran up a budget deficit of $11.5bn (£5.2bn) last year due to fall in oil revenues and income from taxes, Mr. Behzad Nabavi, Executive Affairs Minister, and the Government's official spokesman, said yesterday.

He promised a crowd attending Friday prayers in Tehran that the Administration's gift to the people for the coming year would be "to make the war bearable."

In what is being seen as a Government reply to President Abol Hassan Bani-Sadr's recent bleak account of the country's economic state, Mr. Nabavi claimed that despite the Gulf war and the "crimes of the previous regime," things had not gone so badly.

The total Government deficit could have been more than $22bn, with the original budgeted deficit of $7bn included, but the Government had kept it down to about half this.

This had been done by cutting its own spending, mainly on salaries, by Rials 450bn (£2.6bn) and by reducing development project spending by Rials 400bn (£2.3bn).

Due to Government efforts, production in Iran's factories had increased, even though the night shifts had had to be stopped because of the wartime black-out, Mr. Nabavi went on.

"Industry is still making a loss, but it's less of a loss than before." He gave Rials 160bn (£1bn) as industry's losses over the last Persian year, which ran March 20, 1980 to March 21 this year.

Looking back over the past year's budget, Mr. Nabavi said that the proposed expenditure of Rials 2,800bn (£16.6bn) had been based on anticipated revenues which included oil earnings of $23.2bn. However, earnings from oil in the event, amounted over the year to $11.8bn, due to over-pricing, sanctions, and the war, leaving a shortfall of just over $11bn.

The Government also failed to collect its expected tax incomes, experiencing a 25 per cent shortfall on this account, and adding a further Rials 100bn to the overall deficit.

The war had greatly increased Government expenditure, the Ministry added. A sum of $2.65bn was his estimate of the extra costs involved, primarily in subsidising vast imports of foodstuffs and fuels, and caring for over 1½m war refugees.

"We pay U.S. 40 cents a litre for imported gas oil and yet charge only U.S. 3 cents a litre for it," Mr. Nabavi explained as one example of the scale of Government subsidies.

Imported sugar was sold at 40 per cent of the price Iran paid for it and vegetable oil at 65 per cent, he added.

Cabinet crisis meeting over Lebanon clashes

BY IHSAN HIJAZI IN BEIRUT

THE CRISIS in Lebanon deepened yesterday as fierce clashes in Beirut and the provincial town of Zahle caused a sharp national split and threatened to bring down the Government of Prime Minister Mr. Chafik Al Wazzan.

While President Elias Sarkis headed an emergency Cabinet session, artillery duels in and around Zahle 30 miles east of Beirut continued.

Along Beirut's dividing lines between Moslem and Christian sections the fighting eased but sporadic shooting halted traffic between the two parts of the capital.

Up to 60 people were killed and about 300 wounded in two days of clashes between Syrian troops of the Arab Deterrent Force and Christian militias.

In and around Zahle, a predominantly Catholic town of about 150,000 people, both sides have brought up reinforcements, which threatens a long confrontation and serious repercussions.

Mr. Eliaas Herawi, a Cabinet member who comes from Zahle, flew by helicopter to Damascus for an urgent meeting with President Hafez Assad. The meeting was arranged after a telephone conversation between President Sarkis and President Assad.

The Cabinet met at the request of seven Christian Ministers after consultations with the right-wing alliance known as the Lebanese Front. Three ministers who come from Zahle reportedly threatened to resign if the shelling of their hometown is not stopped.

The Ministers are demanding that Lebanese army units replace the Syrian-led Arab deterrent force along the Green Lines in Beirut, and that the United Nations Security Council be told of the bombardment of Zahle.

Bonn considers asking Arabs for loan

BY ROGER BOYES IN BONN

WEST GERMANY is considering taking out a large credit from an Arab oil producer to help ease difficulties stemming from the squeeze on its budgets and pressure to stimulate the economy.

Details of these deliberations are still unknown, but it became clear during talks between Chancellor Helmut Schmidt and other Ministers on Thursday night, that fresh overseas borrowing would have to be considered if plans for energy-saving investment and other projects are to be adequately financed.

It is thought that a possible DM 10bn (£2.1bn) credit is being considered, but Ministry officials stress it is still too early to fix an exact sum.

The question of recycling Arab oil revenues was also one of the principal subjects of discussion between Chancellor Schmidt and M. Raymond Barre, the French Premier.

Thursday's talks at the chancellery came to three main conclusions. These were that there should be no comprehensive stimulatory economic package, but that investment, above all in energy savings, should be encouraged, perhaps through a system of tax incentives.

Second, that the Federal Labour Office needed an extra DM4.1bn to finance extra unemployment benefits, and third, the money should not be raised by increased taxes, at least not until after 1983.

The Government was thus faced with either having to increase its borrowing or make large savings in the public sector.

Saudi Arabia has already declared itself willing to lend Germany the same amount of cash as last year—DM5.5bn in direct credits and several billion D-marks in direct borrowing through banks.

It is thought that Saudi Arabia may again be approached for further credit —but this has considerable political implications.

The main problem is that Riyadh has expressed a wish for several hundred German Leopard tanks as well as other types of armoured vehicles e a matter that has sparked off controversy in the German government, which is aware of the tight restrictions on selling arms to "areas of tension."

David White adds from Paris: The French Government refused to make any official comment yesterday on the subject of the loan-raising plans.

Officials said there had been "no question" of an international loan from OPEC states during Thursday's discussions between M. Barre and Chancellor Schmidt.

But reports in Paris confirmed that, while no decision had been taken, Government-guaranteed loans from oil-producing countries were among the proposals considered for co-ordinating economic action between the two countries.

A spokesman for M. Barre said the talks had focused on the international economic situation and ways of strengthening economic and monetary harmony between West Germany, France and the U.S.

EASTERN EUROPE

Genscher rejects Soviet missile freeze call

BY DAVID SATTER IN MOSCOW

HERR Hans-Dietrich Genscher, West German Foreign Minister, yesterday reaffirmed West German rejection of the freeze on medium-range missile deployment in Europe, proposed by Mr. Leonid Brezhnev, the Soviet President.

Herr Genscher, who is the first high-level Western visitor to the Soviet Union since the inauguration of Mr. Ronald Reagan as U.S. President, emphasised that he believed non-interference in Poland's internal affairs was the best way to help that country overcome its difficulties.

West Germany was adhering to such a policy. The Soviet Press has accused West German "revanchists" of inflaming the situation in Poland.

In a speech at a luncheon in his honour, Herr Genscher said West Germany supported the opening of U.S.-Soviet negotiations on medium-range missile limitation, but without any preconditions.

"A consolidation of existing imbalances in whatever form and for however long would not only impede progress but would increase the danger of instability," he said.

The Minister, who visited Washington last month, indicated that NATO was prepared to act on its decision to deploy Pershing 2 and Cruise missiles on its territory, in order to balance the deployment of Soviet SS-20 missiles.

But the offer of negotiations linked to this decision underlines our desire to avoid an arms race and to obtain a balance at as low a level as possible in this area," he said.

Mr. Andrei Gromyko, Soviet Foreign Minister, whom Herr Genscher met for six hours yesterday and Thursday, said in his speech that the Soviet Union was prepared to negotiate major reductions of medium-range missiles in Europe if the West would agree first to freeze existing deployment.

Reuter adds from Bonn: West German trade with Eastern Europe would probably be at least halved if Soviet troops invaded Poland, Herr Otto Wolff von Amerongen, West German Trade and Industry Association president, said yesterday.

Mr. Gromyko

Poland's industrial output down 10%

By Our Warsaw Correspondent

THE POLISH economy had a disastrous start to the year with preliminary figures showing industrial production down by 10 per cent in the first quarter compared with the same period in 1980. The main causes are shortages of electric power, raw materials and semi-finished products.

This means that industry is working significantly below its production capacity. Strikes, however, had only a marginal influence on the performance of the economy.

A major factor is shortage of hard currency for imports from the West. Exports to the West fell by 27 per cent in January and February and by 29.3 per cent in March. Hard currency imports were down by 17 per cent in January and February. Imports of machinery however, for which it is easier to obtain credits, fell by less than other goods.

Hard currency imports of oil fell by 80 per cent, iron ore by 30 per cent and cellulose by 90 per cent in the first two months of the year. In some areas the drop was made up for with a rise in imports from the Comecon countries. This was true as regards imports of iron and steel products.

Poland's imports of cellulose from Comecon grew by 26 per cent and artificial fibres grew by 23 per cent in the first two months of the year. The economy did suffer shortages of coal and aluminium, lead, copper, wires and other goods.

Incomes grew by around 18 per cent in the first quarter while sales of consumer goods rose by a mere 9 per cent in January and February.

U.S. agrees to $73m food aid to Warsaw

BY DAVID BUCHAN IN WASHINGTON

THE U.S. has agreed to sell Poland an immediate quantity of $73m in surplus butter and dried milk on concessional terms which officials described as "practically a giveaway."

This was agreed with Mr. Mieczyslaw Jagielski, Poland's Deputy Prime Minister, in talks here with the Reagan Administration as part of his Western tour to drum up sorely needed economic aid for the hard pressed Warsaw Government.

Piqued at some Western European complaints that the Reagan Administration was dragging its feet in helping Poland's economic situation, U.S. officials yesterday pointed out that the U.S. was the biggest supplier of hard currency credit to Warsaw this year — nearly $600m would be forthcoming in the first six months of 1981, composed of commodity credits, export loans, and now the emergency food sale.

The U.S. Administration has made it clear to Mr. Jagielski, his government and the Soviet Union that it would immediately shut off the economic aid tap if the Polish worker movement were to be forcibly suppressed.

At the same time, this could be on the verge of happening. U.S. officials, from Mr. Casper Weinberger, the Defence Secretary, downwards, are warning that military preparations in and around Poland have grown "very serious" this week.

Emergency imposed on Yugoslav province

BY ALEXANDER LEBL IN BELGRADE

THE YUGOSLAVIAN Government has proclaimed a state of emergency in the autonomous south - eastern province of Kusovo where serious rioting on Wednesday and Thursday left two demonstrators killed and dozens of people injured.

Curfews have been imposed in the provincial capital of Pristina and other towns. Special police units have been flown in from other parts of Yugoslavia and the authorities have banned popular gatherings and warned that they will be dispersed.

Today is Students' Day in Yugoslavia and army units are reported to have taken up positions in Pristina guarding public buildings and roads outside Pristina.

The nine members of Yugoslavia's State Presidency and Communist Party committees in Kosovo, Serbia and Belgrade met yesterday to discuss the troubles. Communiqués issued afterwards blamed both internal and external enemies, and the Federal Government blamed Albanian nationalist protesters.

Communiques about the Kosovo events were read in work collectives in Belgrade and other places yesterday. The aim was to give an official interpretation of events to stem rumour speculation.

Reuter adds: The official Yugoslav news agency Tanjug reported yesterday that Yugoslavia's top leaders have met in emergency joint session to deal with the troubled province of Kosovo.

A wounded rebel officer is led captive in Bangkok.

Gen. Prem can turn this week's upheaval to advantage, writes **Alain Cass in Bangkok**

Thailand coup fails: rebel leader flees

THAILAND'S MOST uncharacteristic coup attempt ended typically enough yesterday, with handshakes all round, promises of leniency and a golden opportunity for the man who engineered its collapse to tackle deep-rooted problems.

Gen. Prem Tinsulanond, the hero of the hour, returned to claim his position as Prime Minister, Minister of Defence and Commander-in-Chief of the army, to the evident relief of most of his countrymen.

His broadcast to the nation reflected perfectly the intricate double standards of Thai politics: "The troops and officers who took part in the coup were misguided but their action showed that they are well-disciplined and obey their commanders."

He announced, in the same breath, that the Cabinet had given him extraordinary powers to act on all matters without referring back to them, effectively allowing him to deal with the aftermath of the coup as he sees fit.

Gen. Sant Chitpatima, the rebel leader, fled across the border to Burma with his family and henchmen in two army helicopters, while several of the young colonels who had persuaded him to lead their bid for power were under lock and key facing execution or long prison terms.

The border with Kampuchea, left virtually unguarded during the coup attempt to the alarm of Thailand's non-Communist partners in South-East Asia, was swiftly reinforced. The message to the Vietnamese on the other side was clear: stability had been restored.

As dusk fell over Bangkok, the capital regained its customary verve and the high drama of the past four days vanished almost as quickly as it had surfaced.

Gen. Prem's forces took less than six hours to take control of the capital. Having seized the city's international airport just after dawn, Gen. Prem airlifted 1,500 armoured troops from his temporary headquarters 140 miles away in Korat. They took control of Bangkok in a virtually bloodless operation.

The only resistance was from a carload of young colonels apparently trying to get away: they got stuck in a traffic jam and tried to shoot their way out, killing one soldier and a civilian.

The young colonels who led the group which seized power on Tuesday, abrogating the constitution, suspending Parliament and calling for major reforms, badly misjudged the degree of support they could muster both in the army and among civilians.

They were ultimately defeated by a stroke of great political finesse on Gen. Prem's part. He persuaded Thailand's revered King and key members of the royal family to leave the capital and join him at the Korat Air Force base, thus instantly turning it into a focus of loyalty.

The King personifies the Thai Buddhist concept of obedience. To disobey him is unthinkable, and when Gen. Prem decided to fight the rebellion, with the King's tacit approval, collapse was only a matter of time.

Gen. Prem, his sagging prestige restored, is now in a position to move forward on three major fronts to turn the past four days' events to his advantage.

His immediate task must be to restore morale in an army which almost came to tearing itself apart in civil war. Some observers think he may undertake major reforms, purging military remnants loyal to the coup leaders, also reducing the army's profound and direct involvement in politics.

Gen. Prem now also has an opportunity to forge a Government of national unity to tackle Thailand's serious economic problems. That Government would be founded not on the Byzantine and debilitating political party system, but on the premise that Gen. Prem is the "best man for the job."

He may decide that his new position will allow him to push ahead with economic reforms begun in his first coalition Government. These were intended to reduce the current account deficit (which reached $2.4bn in 1980) and inflation, running at 20 per cent.

Gen. Prem's economic programme includes a sharp reduction in consumption, higher taxes, increased prices and a major shift of wealth from Bangkok to the people in the countryside 25 per cent of whom still live below the poverty line.

Deng pledge to Hong Kong investors

BY CHARLES SMITH, FAR EAST EDITOR, IN PEKING

THE INTERESTS of investors in Hong Kong will "not be harmed" if there is any change in the status of the territory in 16 or 17 years' time, China's Vice-Chairman Deng Xiaoping said yesterday.

Deng made the statement after being asked to reiterate previous Chinese assurances that investors in Hong Kong should not worry about the future.

Later he told Lord Carrington, Britain's Foreign Secretary, that he spoke with the full authority of the Chinese Government in telling Hong Kong businessmen to "set their hearts at ease."

The Vice-Chairman's statements were described as a more emphatic version of undertakings given two years ago to the Hong Kong Governor, Sir Murray Maclehose.

Lord Carrington said he felt "very reassured" by what Mr. Deng had said.

The exchanges over Hong Kong represent the culmination of three days of talks between Lord Carrington and senior Chinese leaders during which most major global issues and bi-lateral economic relations were discussed.

The talks appear to have confirmed that UK-China relations are more cordial than ever before, largely because the two governments see eye-to-eye on many issues involving third countries.

Belize emergency puts talks in jeopardy

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

THE CONSTITUTIONAL conference on the independence of Belize, scheduled to start in London on Monday, is in jeopardy in the wake of strikes, rioting and the imposition of a state of emergency in the Central American colony.

Mr. James Hennessy, the governonr, declared the state of emergency on Thursday as opponents of the Premier, Mr. George Price, expressed their violent disapproval of the terms of the agreement negotiated by the British and Belizean governments with Guatemala which claims sovereignty over Belize.

Under the agreement, the terms of which were published on 16 March, Guatemala is to receive some minor concessions in Belize in exchange for the surrender of its claims to the territory.

Last night no word had been received from the opposition United Democratic Party (UDP) about their attendance at Monday's talks and in view of the seriousness of the situation in Belize City, the main town in the colony, Mr. Price may not be able to leave for London as scheduled on Sunday.

'Stop' order on Malaysia tin mines

By Wong Sulong in Kuala Lumpur

THE MALAYSIAN government yesterday ordered all of the country's 700 gravel pump tin mines to stop "productive operations," following three landslides which killed 27 miners over the past week.

Datuk Paul Leong, Primary Industry Minister, said the mines would only be allowed to resume operations after his Ministry had been assured they had taken precautions to prevent any further loss of life and property.

Mine inspectors from the Ministry would visit all gravel mines to ensure the precautions had been taken, and those mines found to be unsafe would be forced to close.

The gravel pump mines are largely operated by Malaysian Chinese. They accounted for 55 per cent of Malaysia's tin output of 61,400 tonnes last year.

Dredges, operated by the larger foreign companies, are not affected by the order.

Airport charges up 12-15% on May 1

By Michael Donne, Aerospace Correspondent

INCREASES in aircraft landing and parking charges averaging 12 per cent at Heathrow, Gatwick and Stansted will be imposed by the British Airports Authority from May 1.

At its Scottish airports, Glasgow, Prestwick, Edinburgh and Aberdeen, the increases will average 15 per cent. These follow rises averaging 35 per cent on April 1 last year.

The effect will be to make the landing fee for a fully-laden Jumbo jet at Heathrow £4,522 in the peak period from £4,165, while the off-peak rate rises from £1,286 to £1,373.

These are smaller than originally expected. The authority though in terms of increases of inflation plus 5 per cent, considerably more than the rises now announced.

They were delayed by a month to allow consultation with the airlines, which expressed strong criticism at last year's rises and took legal action against the BAA.

This action is still pending, but the BAA cannot delay increases in fees because of soaring costs and daily running expenses.

It has already lost a month of increased fees, normally effective on April 1. To compensate for this it intends to brings forward its next adjustment by one month to March 1, 1982.

Whitelaw's preview

MR. WILLIAM WHITELAW, the Home Secretary, had an exclusive preview of BL's "top secret" car, the Triumph Acclaim, at Cowley assembly plant, where the Acclaim, a joint venture between BL and Honda, will be built. He said "I see nothing wrong in these joint ventures, everything is to be gained from them."

Cement stop

RUGBY PORTLAND Cement will stop production at its works in Lewes, Sussex, making 50 of its 75 workers redundant. The plant will continue to be used as a distribution depot. Its capacity was 70,000 tonnes a year.

80 to go

EIGHTY MEN will be made redundant at Dorman Diesels, Boultham, Lincoln. The light engineering company blamed a 30 per cent shortfall in orders. It employs 270.

Strike lay-off

BRITVIC, the soft drinks company, hit by an unofficial strike, started laying off production workers at Widford, near Chelmsford, last night. By Tuesday it expected to be "closed for all practical purposes," with 236 workers laid off, leaving about 30 for essential services.

No T-shirts ban

A CALL to ban imported T-shirts with Royal Weding pictures of Prince Charles and Lady Diana Spencer was rejected by the Government. Mr. Cecil Parkinson, Trade Minister, said in a Commons written reply: "I do not think use of import controls would be appropriate in the circumstances."

Mr. Greville Janner, Labour, Leicester West, has tabled a motion of protest.

EEC aids training

THE SOCIAL FUND of the EEC helped nearly 1m people to train or retrain throughout the Community in 1978. More than 230,000 were young people, said a European Commission report. More than a fifth were in "deprived areas" of the UK, 55,000 of them young people.

Steel labour cuts

THE privately-owned Alphasteel plant, Newport, Gwent, announced a further 120 redundancies, blaming British Steel Corporation competition, the high pound and the recession. This will reduce the work force to 80 compared with 400 a few months ago.

Dr. P. F. Granger

DR. Paul Francis Granger died at his home at Aslockton, Notts. He was a Pro Chancellor of Nottingham University, was president of the Institute of Chartered Accountants in England and Wales in 1961, and president of Nottingham Society of Chartered Accountants in 1949. During the Second World War he served at the Tehran Embassy as public relations attaché.

Plant for Consett

A FACTORY making sportswear for boxing and judo will be opened at Consett, Co. Durham, by Flintbridge, a newly-created subsidiary of Bellamer, Cheltenham. It is planned eventually to provide more than 50 jobs in an area of high unemployment increased by last year's closure of Consett steel works.

Conference centre to be built near Parliament

BY ANDREW TAYLOR

GOVERNMENT proposals to build a £55m international conference centre almost next door to the Houses of Parliament were unveiled yesterday. The scheme is planned to be financed by investment institutions.

It is hoped the new centre will be completed by the summer of 1986. It will be used for major summit meetings and inter-governmental conferences and will be built on a corner site at Storey's Gate and Broad Sanctuary.

The Government has appointed Healey and Baker, estate agents and chartered surveyors, to find institutional funding for the centre. The firm already advises the Government on its new town sales programme and other matters concerning the disposal of public sector property assets.

The centre, designed by architects Powell, Moya and Partners, will have a net floor area of 140,000 sq ft, including an auditorium capable of seating 650 people and a further five conference rooms with seating capacities ranging from 60 to 480 people. There will also be facilities for Press, broadcasting and interpreters as well as catering.

Mr. Paul Orchard-Lisle, of Healey and Baker, said yesterday that talks would be taking place with several big pension funds and insurance companies. He did not rule out the possibility that a consortium of investment institutions might take over funding of the centre.

It is planned that the financing institutions would lease back accommodation in the centre to the Government. Rents would be based on the prevailing rate of return on prime office investment properties in the Victoria area now yielding about 4½ per cent.

Plans to build a conference centre on the Broad Sanctuary site—almost opposite and a minute's walk away from the Houses of Parliament—were first announced in June, 1978, after a feasibility study. Development has been delayed by cash shortages and Government spending cuts.

Work on the substructure of the centre has already begun.

Benn move was 'very foolish'

BY ROGER BOYES IN BONN

MRS. SHIRLEY Williams, one of the key founders of the Social Democratic Party, yesterday described as "very foolish" Mr. Tony Benn's decision to contest the deputy leadership of the Labour Party.

Speaking to reporters at the annual Anglo-German Koenigswinter conference near Bonn, Mrs. Williams said she thought Mr. Benn's move would lead to six months of in-fighting between now and the Labour Party conference in the autumn.

"The fight between Left and Right will go on even though we (the Social Democrats) are not there," she said.

Although Mr. Benn's decision might well give a temporary boost to the Social Democratic Party, in the long-term nobody benefited."

Mr. Denis Healey, also attending the conference, refused to comment on Mr. Benn's challenge to his position as deputy party leader. But Mr. David Steel, Liberal party leader, said, wryly, that he regarded Mr. Benn's decision "with great delight."

Mrs. Williams, who is heading a working group on unemployment at the conference, was in great demand from West German Social Democrats who have so far been unsure how to react to the new grouping. Mrs. Williams said later that the German SPD was "warming up" in its attitude to the British SDP.

British political divisions were mirrored in the speeches and even in behind-the-scenes seating and dining plans. The working group on unemployment in Europe had to have two chairmen—Mrs. Williams and Mr. Timothy Renton, Conservative MP—to reflect their differing views.

Ministers try to reassure industry

BY PETER RIDDELL AND RICHARD EVANS

TWO PROMINENT economic Ministers yesterday attempted to reassure industry, and small businesses in particular, about the Government's desire to help them.

Mr. John Biffen, the Secretary for Trade, said the whole direction of free enterprise must be towards developing smaller businesses, where proprietor and manager were effectively the same person.

Mr. Nigel Lawson, Financial Secretary to the Treasury, claimed that Government measures had gone "a considerable way" towards fulfilling the Tory election pledge of reducing the burdens small businesses had to bear.

Speaking to the annual conference of the Leicestershire Institute of Directors, Mr. Lawson noted the reduction in the marginal rates of income tax, the easing in the burden of capital tax as well as several specific measures to help small and new businesses including changes in corporation tax and in legislation affecting close companies.

Mr. Lawson also referred to the introduction of enterprise zones and measures in this year's Budget, including the business start-up scheme.

Taken together, Mr. Lawson claimed, "these measures constitute a formidable array of incentives and show that the Government takes seriously the need to encourage small business in general and new businesses in particular."

Mr. Biffen told Birmingham Conservatives that the small company sector had shown "an outstanding capacity for innovation, and with such new products and new techniques, fresh employment opportunities are being created."

3M group invests £3m in video plant

BY ROBIN REEVES, WELSH CORRESPONDENT

THE U.S.-OWNED 3M Group is to invest £3m at its Gorseinon plant, near Swansea, to increase video cassette production and meet unexpected doubling in the home video market this year.

The aim of the two-year expansion at Britain's only video tape manufacturing facility is to quadruple production of 3M's Scotch video cassettes.

The number of people employed at Gorseinon will be increased by 25 per cent to about 250.

The company forecasts that UK sales of video recorders will jump to 1m this year — twice last year's level. The royal wedding is expected to give a strong fillip to already rapidly growing sales throughout Europe. The industry estimates that, so far, only about 3 per cent of European households have video cassette facilities.

The Welsh plant is today one of four 3M video tape manufacturing facilities throughout the world. There are two in the U.S. and one in Japan.

The company is celebrating the silver anniversary of its launching of the first commercially available video tape.

The Gorseinon plant also manufactures two-in and one-in video tape for the professional television broadcast market,

The plant supplies video tape and cassettes to 18 different 3M subsidiaries which market them to 41 European and Middle East countries.

'Growing move' to advertise in print

By James McDonald

A MOVE back to print by advertisers at the expense of television and radio was predicted yesterday by Mr. Jocelyn Stevens, deputy chairman and managing director of Express Newspapers.

National newspapers were coming through the recession better than other media, Mr. Stevens said at a ceremony at Watford to mark the printing of the first copies of the Sunday Express colour magazine by Odhams (Watford), part of the Reed International group. He believed television was suffering from "fragmentation" of its audience.

Both Mr. Stevens and Mr. Ian Thomas, chief executive of Odhams (Watford), confirmed that competition for the printing contract for the magazine —about 3.3m copies weekly— had been "some of the fiercest ever experienced in the industry." Odhams had competed with Sun and Bemrose for the work and price had been a crucial factor.

Odhams also had to agree unprecedented short notice period and cancellation clauses if Express Newspaper's stringent quality and delivery requirement are not met.

The toughness of the contract was made clear when Mr. Thomas was asked about its length. "Hopefully it will be for the life of the Sunday Express, but it could be as short as next week. We have to perform on every issue on quality, delivery and cost."

The first magazine issue, of 80 pages, will appear on April 1

Call for plan to utilise N. Sea benefits

By Ray Dafter, Energy Editor

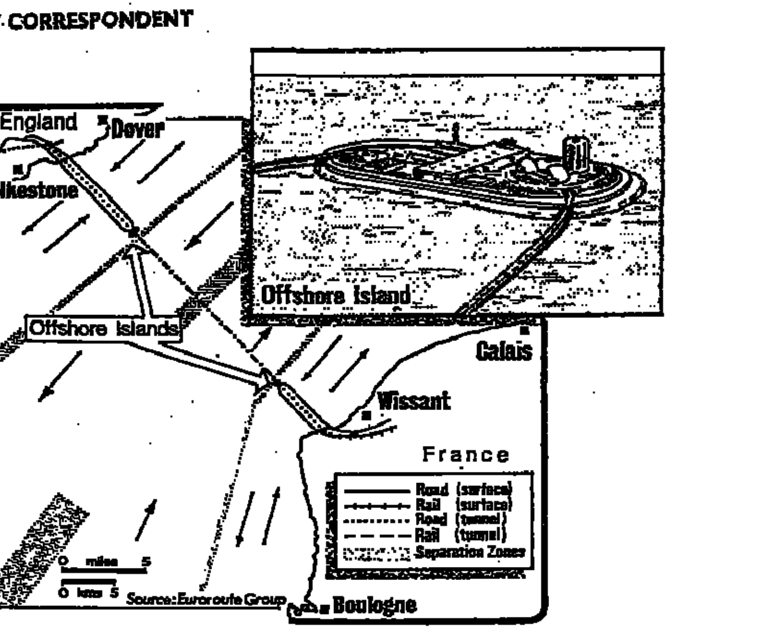
MR. BILL DUNCAN, deputy chairman of Imperial Chemical Industries — the UK's biggest manufacturing concern—last night called for an imaginative scheme for using the benefits from North Sea oil and gas to develop British industry.

Speaking in London as the president of the Society of Chemical Industry Mr. Duncan said: "Sad to relate I cannot yet distinguish any imaginative commitment to capitalise on the considerable potential for industry which lies in the North Sea. Other less well endowed nations must surely wonder at such a situation."

● Meanwhile at the society's conference in Cambridge, Professor Herbert Gruenewald, chairman of the German-based Bayer group, warned yesterday that the European chemical industry will lose its competitiveness unless it is given cheaper electricity based on an expansion of nuclear power.

British Rail and BSC in talks on Channel link

BY LYNTON McLAIN, TRANSPORT CORRESPONDENT



SIR PETER PARKER, the chairman of British Rail, and Mr. Ian MacGregor, the chairman of the British Steel Corporation, met earlier this week for talks on a £3.8bn plan for a road-rail bridge and tunnel across the English Channel, British Rail said yesterday.

The road-rail plan was drafted by a consortium consisting of the corporation, Redpath Dorman Long, a BSC subsidiary, and Sir Robert McAlpine, the construction group. The plan is a revised and cheaper form of the earlier £4.6bn to £5.9bn bridge and tunnel proposed by Mr. MacGregor to MPs on the Commons transport select committee in November.

Full details of the latest scheme were sent to Mr. Norman Fowler, the Transport Secretary, on Monday. The Minister is evaluating eight competing designs for fixed links across the Channel, including a proposal from British Rail for a £920m single-bore, rail-only Channel tunnel, designed in partnership with French Rail.

The Government has said that it will make a decision on which scheme, if any, should be given the go-ahead, by the end of the year.

British Rail has not explained its interest in the British Steel "EuroRoute Group" plan, but said yesterday that "nothing in depth was discussed."

However, a number of meeting are likely between BR and the corporation to discuss further the EuroRate Group plan, BR said.

The BR scheme is modest compared with the ambitious plans for bridges and submerged tube tunnels prepared by the EuroRoute Group. The BR scheme cannot cater, in its present form of a 6.02 metre diameter tunnel, for road vehicles to be carried on the backs of trains. This point was taken up by the House of Commons select committee on transport in its report last month on the Channel Link.

The MPs said they did not believe "that it would be sensible or responsible for the House of Commons to support a new, and very expensive, link across the Channel which would preclude the provision of a road vehicle ferrying facility and therefore involve the construction of an entirely separate fixed link if such a facility were to be required in the future."

One of the benefits of the EuroRoute Group's proposal, as explained by the partners, is that the twin two-lane motorways could be constructed with the first stage, for one two-lane motorway, being built ahead of a rail tunnel.

This first stage could be ready in four years, using extensive prefabrication of large civil engineering components in sites around Britain.

Mr. MacGregor told the MPs on the transport committee in November that "this would result in employment benefits arising from the scheme spread over a wide area."

But equally important, by building part of the motorway bridge network ahead of the rail link, the Euro-Route Group believe that high revenues would be generated which could then help to secure backing for the later submerged tube rail tunnels.

Such an approach may prove to be attractive to British Rail, although it insisted yesterday that "we think our scheme—for a single bore rail only tunnel—would be in the best interests of the nation."

Interest in the British Steel Corporation plan, however, is already building up among companies elsewhere in the European Community.

Private sector companies to join electrification talks

TALKS will be held on Monday between British Rail, Morgan Grenfell, GEC, British Insulated Callenders Cables (BICC) and Hawker Siddeley about possible ways of involving these private sector companies in funding widespread electrification of the railway network which is to be considered by the Cabinet shortly, writes Lynton McLain.

The talks come almost two months after a joint BR/Transport Ministry report concluded that a "substantial programme of main line electrification would be financially worthwhile.

BICC would make the overhead wire for electrification; GEC could supply electrical control equipment and motors and Hawker-Siddeley could supply the motors and ancilliary electrical equipment.

At present, 23 per cent of the route miles of British Rail track are electrified. The report considered options for raising this share to 31 per cent, 42 per cent and to more than double the length of electrified track to 52 per cent of the total.

Experts say pound will fall within year

BY DAVID MARSH

THE POUND is expected to fall against major currencies in the next year and beyond, according to predictions by leading exchange-rate forecasters at a conference in London yesterday.

The expected decline would bring sterling more into line with the underlying differences between UK and foreign inflation rates, and help improve the flagging competitiveness of British industry.

The fall may not go as far as many exporters would like. Most forecasters see the pound remaining in the \$2.10-\$2.30 range for the next few years.

The conference, on exchange rates, was organised by the Confederation of British Industry.

The London Business School says sterling will fall by about 6 per cent on a trade-weighted basis next year, to about 93 on its effective exchange rate index, compared with about 99 at present.

The sterling dollar rate is put at \$2.15 next year, against \$2.20 now, while against the D-Mark the pound may fall to DM 4.40 from the present rate of close to DM 4.70, the Business School suggests.

The London foreign exchange consultants Forex Research agree with the forecast of a \$2.15 rate next year, but believe that the effective exchange rate will fall by about 10 per cent to 89, and the rate against the Deutsche Mark much more sharply, to DM 3.90.

The problems behind nuclear plant orders

Hazel Duffy on the second big contract tranche for reactors

BRITAIN'S battered nuclear power industry earlier this week received the second big tranche of orders for the advanced gas-cooled reactors to be built at Heysham, Lancashire, for the Central Electricity Generating Board and Torness, East Lothian, for the South of Scotland Electricity Board.

They came three months after the first tranche of orders, and three years after the Labour Government cleared the way for AGRs to go ahead.

This latest hold-up in the erratic ordering for British nuclear plant was the result of problems arising out of the capital structure of the reorganised National Nuclear Corporation.

The corporation has placed the orders for the "nuclear island" that is, equipment which is particular to a nuclear power station as opposed to a fossil-fuelled power station.

Details of the agreement between the corporation and the Central Electricity Generating Board, permitting the orders to go ahead, has not yet been announced. But it is assumed that the nuclear corporation will act as the agents of the CEGB while retaining management control.

The first orders for Heysham and Torness go back to 1979. The contract for the pressure vessel liner was placed with Whessoe, and that for the graphite structure with Union Carbide (UK).

These nuclear contracts were placed by thegeneratnig boards because the corporation had not embarked on its planned reorganisation at that stage. There were particular reasons why the orders could not await that restructuring.

By the beginning of this year there was no doubt that the next tranched orders would be placed but the timing is still significant for cash flow and jobs.

The main beneficiary will be Northern Engineering Industries, which is supplying the two 660 MW turbine generators for Heysham plus condensing and other plant.

This week NEI Power Engineering received the orders for the boilers for Heysham and Torness, described by the company as "what could be the largest block of orders for nuclear power plant placed in the UK," at an estimated value

NEI's need for power plant work was critical, if not as desperate as when the Drax B coal-fired power station order was brought forward to provide work in the North East (for Parsons, now part of NEI) and Babcock in Scotland.

Work on the AGR boilers at NEI's Gateshead plant has already started, overlapping with the completion of the design contract work which was awarded by the generating boards for these two AGRs in an attempt to avaid some of the design problems that dogged the earlier AGR programme.

NEI's total work on the AGRs —turbine generators and boilers—could be as high as £300m over the next three to four years. This compares with the last published turnover figure for the whole group of £450m in one year.

Other power plant manufacturers which have been awarded AGR contracts are GEC Turbine Generators, which will supply the turbine generators at Tarnes and Babcock, which has been sub-contracted some boiler work by NEI.

Other contracts which have now been let include the civil engineering to Taylor Wood-Woodrow and Sir Robernt McAlpine, gas circulators to James Howden, refuelling machine and standpipe closures to Strachan and Henshaw, control rods and other nuclear work to Fairey Engineering, portable sub-stations and distribution units to Trident Equipment, and variable frequency converters for the gas circulators to Emerson-Electric Industrial Controls.

Contracts awarded amount to nearly half the total. Still to be placed are those for control and instrumentation, for instance, some of the fuel handling equipment, transformers, cabling, as well as mechanical equipment like cranes.

The AGR orders are a lifeline for the small number of companies specialising in nuclear equipment, but they can also represent substantial orders for the process plant companies which have been suffering from the shortage of activity in process industry projects, particularly in the domestic market.

Nearly four years ago, a working party from the National Economic Development Office estimated that a 660 MW AGR sustained 2,500 jobs a year in the process plant industry and 1320 MW sustained 4,500 jobs.

By contrast, it estimated the PWR employment at 1,700 and 3,100 respectively if the reinforced pressure vessel was imported.

The future for the AGR, however, is still an unknown. In addition to Heysham and Torness, modelled as far as possible on Hinkley Point "B" and Hunterston, three other AGRs at Heysham (1), Hartlepool and Dungeness "B" still await completion.

Valuable though these two interim orders are, there would be few disagreements with the recent conclusion of the Parliamentary Select Committee on energy. It said: "If this country insists on keeping a domestic nuclear plant industry, that industry will be underloaded for many years, especially if it continues with its present structure."

Britain's AGRs 'can be expected to improve further'

BY DAVID FISHLOCK, SCIENCE EDITOR

THE PERFORMANCE of Britain's commercial advanced gas-cooled reactors compares well with other nuclear systems, and can be expected to improve further as associated non-nuclear plant problems are overcome, Sir Francis Tombs, Weir Group chairman, said yesterday.

Load factors had reached about 60 per cent over the year, and were as high as 100 per cent during the winter, said Sir Francis, former Electricity Council chairman.

He was speaking at a ceremony at Windscale, when the 33 MW prototype of the commercial AGRs was disconnected from the national grid.

The Windscale AGR has another three years of experimental work to complete. Then, it may become Britain's first experiment in dismantling a reactor. Many of the problems of AGRs which had "loomed large in 1974" had been overcome, Sir Francis said.

They included doubts about the corrosion resistance of the boilers, the durability of the pressure vessel insulation, and the graphite's life.

"In all of these areas careful development work and operating experience have removed any concern for achievement of designed lifetime."

The reactors had proved "surprisingly flexible" in operation, he said. Sir Francis attacked critics of nuclear policy whose loyalties and affiliations "tend to obscure rational arguments about reactor choice."

In particular, he criticised the recent report of the Parliamentary Select Committee on Energy. It was "characterised by indecision and an apparent inability to form a judgment on differing views."

With the AGR Britain had painfully acquired an indigenous reactor system with substantial advantages. It was home-made and therefore the genesis of—and justification for —the detailed design and associated safety case where understood in Britain.

It used a concrete pressure vessel and a single-phase coolant. It reacted slowly to fault conditions, and had a high thermal efficiency. Radiation exposure for AGR operators was very low.

Dr. Tom Marsham, managing director of the northern division of the UK Atomic Energy Authority, said Britain was one of only four countries which had developed commercial nuclear reactors.

In the AGR simple materials such as stainless steel, carbon and carbon dioxide had been combined to produce a commercial reactor with a higher thermal efficiency than any other.

"To achieve this we have had to develop a fuel that operates safely and reliably for years on end, at temperatures up to a dull red heat in a flow of high-pressure carbon dioxide moving at about 55 miles an hour."

Dr. Marsham said Britons were in danger of "losing our sense of wonder as well as our sense of national confidence in technical achievements, which are essential to support our manufacturing industry."

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UK NEWS

Public sector pay rises attacked

BY ANDREW TAYLOR

THE Government was last night accused of weakness in the face of public sector pay demands "at the expense of private sector jobs and vital capital investment" in the strongest attack yet by the construction industry on government policies.

Mr. Sandy Shand, president of the Federation of Civil Engineering Contractors speaking in Wales said it was imperative that the Government should not "concede to the latest machinations of the Civil Service unions."

He said that if the Government did give way to the civil servants "it will be final proof that the power of the public sector unions is all pervading—and it will be disastrous."

The civil engineering industry has an annual turnover of about £3bn and employers have *strongly criticised* the Government for its failure to control large public sector wage settlements which it says has meant that capital investment has continued to bear a disproportionate share of public spending cuts.

Mr. Shand said that the recent expenditure White Paper showed that capital spending in 1981/82 was planned to fall by 11 per cent while current expenditure had been left unchanged. Unemployment in construction had risen from 274,000 *in November 1980 to 347,000 in* February this year.

Mr. Shand accused some public sector unions recently of "twisting the Government's tail to protect their own jobs at the expense of jobs in the private sector.

"That is why it is imperative that the Government does not concede to the latest machinations of the Civil Service unions. It is bad enough that they have already given in to the miners—and the latest pay offer from British Gas is estimated by union leaders to be worth nearly 13 per cent.

"Somewhere along hte line, and soon, the Government has to stand firm and make it quite clear that it will not continue *to maintain both employment* and wages in the public sector—to say nothing of benefits such as inflation proof pensions—at the expense of private sector jobs and vital capital investment," said Mr. Shand.

It is unusual for construction industry leaders to launch such a strong and open attack on pay settlements in the public sector given the traditional desire of employers to present a united front with construction trade unions—which also have public sector members—in criticising the Government's lack of capital investment in construction.

But civil engineers are clearly exasperated at what they regard as a weakening of the Government's resolve to control "un*fair" competition for construc*tion work from local authority direct labour organisations.

Restrictions on animal movements to be lifted

RESTRICTIONS on animal movements in Hampshire and Dorset introduced because of the foot-and-mouth alert will be *lifted from midnight tomorrow* if no new outbreaks are reported.

The alert started 13 days ago when foot-and-mouth disease was confirmed at Hamstead Farm near Yarmouth on the Isle of Wight. Immediately a 1,000 sq mile cordon was thrown round the infected areas, and the 166 beef and dairy cattle on the farm slaughtered and buried.

That is still the only outbreak, and a Ministry of Agriculture spokesman confirmed yesterday that the mainland restrictions will be lifted, although the island will remain a restricted area until further notice.

Restrictions will also remain on 21 individual farms on the mainland. In Hampshire and Dorset, 14 farms are isolated because they bought animals at Ringwood market, which had been visited by a cowman who had earlier been on a Jersey farm, where the sole Channel Island outbreak occurred.

The other seven, as far north as Oxfordshire, are subject to restriction orders because they bought cattle at Shaftesbury market which had come from an Isle of Wight farm.

Lisa Wood looks at the experiences of an enterprising couple

Clothing venture used pool of unemployed

WHEN Mr. Kenneth Nichol and his wife, Joyce, opened their own clothing manufacturing busines in Kilbirnie, Scotland, a year ago, they recruited all their labour force, except a few school-leavers, from the unemployed.

Most of the women had skills related to the business—the *manufacture of boys' clothing*—since the area has a long tradition of textile and clothing manufacture.

To start the business Mr. Nichol, who has been in the clothing business all his working life gave up his job as manager of a clothing company in Plymouth and his wife gave up her job in the accounts department of the same business. Mr. Nichol said: 'I don't like big factories. I decided the name of the game was in small manufacturing units."

The Nichols moved back to their home town of Glasgow because they felt Plymouth was not the town in which to start a business because of the limited experience workers there had of clothing manufacture. "The girls we took on," said Mr. Nichol, "were not experienced *in the manufacture of boys' and* gents' trousers but they were skilled machinists."

Factory units Mr. Nichol inspected in Glasgow were too large. However, in the old steel town of Kilbirnie, in the Garnock Valley, about 30 miles from Glasgow, the Scottish Development Agency had suitable premises available. The area, which has suffered from large-scale redundancies in its old heavy industries, has special development status and new tenants enjoy two years free of rent in sparkling new premises nestling amid the remnants of a local steel industry.

In its time the valley, set in splendid countryside, has boasted flourishing iron, coal, textile and steel industries. Today, the future is seen in the encouragement of new industries, such as electronics, light engineering, pharmaceuticals and marine engineering. Even the town itself has had a face-lift.

Because of the steel closures in the area BSC Industries can *give special assistance to people* like 44-year-old Mr. Nichol. In his case BSC bought some of the machinery he required for his 2,500 sq ft unit and leased it to him at "favourable" terms.

"British Steel was very helpful when we started," said Mr. Nichol. He was also fortunate in having good contacts with a London marketing company, A.M.S. (Boyswear). "The days are long gone when one could start up a small company and *sell one's own production," said* Mr. Nichol.

A.M.S. (Boyswear), whose outlets include Harrods and John Lewis Partnership, now controls the company. Mr. Richard Briance, the company's managing director, said: "These small companies, despite the help they are given by organisations such as British Steel, still require financial backing. That is exactly what the Government has tried to facilitate in capital allowances on investment in small companies. The Nichols can now get one with what they are extremely good at—the manufacture of high quality trousers."

About 1,000 pairs of trousers are manufactured each week at the factory which has 29 employees. The initial production target was about 500 pairs—that took about six months to achieve.

Mr. and Mrs. Nichol sold their house and utilised most of their savings to start the business in a disused church. They have no regrets. Both would have been made redundant if they had stayed with their former employer—the Plymouth factory closed about six months ago.

Windfall in property rent earned by railway

Financial Times Reporter

THE DERWENT Valley Railway Company, which is about to pay 10p a share dividend on its ordinary shares, and 3.5p a share on its preference shares for 1980, has an unusual problem on its hands. It is worth £500,000 more than it thought it was.

This is the result of a revaluation of the company's land and buildings, says Mr. Roy Cook, chairman of the railway, in his annual report.

The railway is only four and a half miles long and may be even less after an examination is made of the far end of the line at Dunnington due to the fall in traffic during the past year.

The drop was caused by reduced malted barley loadings for the Scotch whisky distilleries, effects of the building recession on a track-side cement silo, and the halting of coal traffic *in spring 1980.*

Mr. Cook says the directors were relieved to have an opportunity during the year to recover a large area of land previously leased for coal storage at Layerthorpe. This area, together with additional under-used parts of Layerthorpe station yard, has been let on a lease exceeding 125 years to Rohan Construction of Leeds and Dublin to build factory units. The starting rental is considerably more than the railway's previous freight and rental income combined.

Judge rules in favour of Firth Brown acquisition

By Raymond Hughes, Law Courts Correspondent

AN AGREEMENT under which Johnson and Firth Brown obtained an option to acquire 11 subsidiaries in the Seton group was valid and enforceable, a High Court judge decided yesterday.

Mr. Justice Walton dismissed a claim by Amalgamated Industrials and three other Seton companies for rescission of the agreement.

The Seton companies had contended that the agreement was invalid because Mr. P. A. Logan, a former director of some of the option companies, and one *of the negotiators of the* agreement, had been bribed by Johnson and Firth Brown with the offer of a job.

The judge said that during *the negotiations,* Johnson and Firth Brown offered Mr. Logan a job as consultant to the option companies, to provide continuity.

There was a rule of law, which had to be maintained in the interests of commercial morality, that if there was a conflict between an agent's duty *and his personal interests any* contract in which he was involved could be set aside.

The issue was whether the job offered to Mr. Logan created such a conflict.

There was not the slightest breath of suspicion of a corrupt intent in the offer, the judge said. The question was whether it might have induced Mr. Logan to act in a way inimical to the Seton companies' interests.

The option companies, from which cash had been skimmed *for the benefit of their parents,* had been in an extremely parlous condition when negotiations began in January last year.

Unless a buyer was found, liquidation stared them in the face.

Mr. Logan had been only a supporting negotiator. He had made none of the decisions and there was no scope for suggesting that his personal interests might have influenced the *final* form of the agreement.

The judge accepted Johnson and Firth Brown's evidence that another Seton director had consented to the *offer being made* to Mr. Logan.

He said that the irony was that Johnson and Firth Brown had quickly found that Mr. Logan was *persona non grata* with the option companies' managers, who had resented him as one of the team that had stripped the companies of their assets.

Mr. Logan's services had therefore quickly been dispensed with, *on payment of* £5,000 damages for breach of contract.

The final irony, said the judge, was that Johnson and Firth Brown would benefit from rescission of the option agreement because the Seton companies would have to repay them far more than the value of the option companies' assets.

He granted Johnson and Firth Brown orders that the agreement was valid and enforceable and should be performed.

Mr. and Mrs. E. Wood

WE HAVE been asked to point out that Mr. and Mrs. Eric Wood resigned as directors of Rose of England China in late January and have not been actively involved in the company since that time, despite any impression to the contrary in our article of March 31.

Farm incomes 'will fall despite EEC agreement on higher prices'

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE INCOMES of British farmers will continue to fall this year *despite the 9.5 per* cent increase in Common Market farm prices agreed in Brussels, Mr. Peter Walker, Minister of Agriculture, admitted in *the House of* Commons yesterday.

The input costs of British agriculture were likely to rise this year by more than the £325m additional receipts for UK farmers which came out of the settlement, he said. Therefore, in real terms, there was likely to be a continuing fall in farm incomes.

Even with the EEC price increases "there will still be considerable difficulties in certain sectors of British agriculture," said Mr. Walker. However, the Brussels agreement would still have an important *effect in helping agriculture in* Britain.

Dr. Mark Hughes, a Labour Party agriculture spokesman, said that Mr. Michael Foot, Leader of the Opposition, had *authorised him to call for a* rearrangement of Commons business next week so that there could be a full debate on Mr. Walker's "heroic capitulation" *in Brussels.*

Conservative MPs from agricultural constituencies welcomed the agreement. But Mr. Tony Marlow (C, Northampton North), an anti-Marketeer, called on Mr. Walker to resign because, he said, the Minister had gone back on the Tory election pledge to freeze Common Agricultural Policy prices on products in structural surplus.

There would be *a significant* effect on the amount the British housewife would have to pay for food, said Mr. Marlow. He accused Mr. Walker of failing *to seize the opportunity* to change the "hated CAP."

Mr. Stephen Ross, the Liberal Party spokesman, welcomed the agreement. But Mr. Donald Stewart, the Scottish Nationalist *leader,* said he agreed with the Consumers' Association that it was an "outrageous settlement."

Mr. Walker said the Consumers' Association had exaggerated the impact on British food prices and had taken the figure of a 3 per cent increase which applied to Europe as a whole.

In fact, he said, the maximum increase in UK food prices over the year would be 1 per cent. The impact on the retail price index would be only one quarter of 1 per cent because, alone among EEC countries, Britain *had secured* lamb, beef and butter subsidies on a substantial scale.

The proposals would slightly reduce Britain's contribution to the EEC budget and would mean that for the first time the problem of farm surpluses would be tackled.

Barts launches appeal for £5m

BY JAMES McDONALD

ST. BARTHOLOMEW'S (Barts) Hospital, is mounting an appeal for £5m to enable it to continue its work in the clinical research field.

*Unless the money is forth*coming—£2m is needed by the end of this year—Barts says that vital research covering a wide range of diseases will have to be *cut, or carried on in* "appallingly overcrowded conditions."

The problem facing Barts is not lack of money for the research but the urgent need for *more space in which to carry* out the work.

Ironically, it is the City of London hospital's increasing success in competing with other *institutions* and winning short-term reasearch grants which has created the problem: the hospital's buildings are not sufficient to accommodate the staff and facilities needed. Corridors have had to be turned into working spaces and even lavatories have been converted.

Already research has been *held back in such fields as:* blood diseases; cancer; chest circulatory and cardiac diseases; environmental and industrial diseases; rheumatism; glandular *diseases; and diabetes.*

Non-recurring short-term research grants (usually for one to three years) to Barts for specific projects came to more *than £1.2m* last year, but this cannot be used by Barts to provide the additional space needed to carry out the work. Nor is the money available from the National Health Service.

The Special Trustees of Barts, appointed by the Health Secretary, are willing to lease Dominion House in Bartholomew Close, alongside the hospital, to serve as a research centre and have made a founding gift of more than £1m. Another £600,000 has become available to start off the fund.

But £3.3m is needed immediately. It is estimated that the basic building renovation at Dominion House will cost more *than* £1.1m, with the remainder accounted for by fitting-out and equipment costs.

Also, an estimated £500,000 a year will be needed for at least three years to provide for expenses not covered by current short-term research grants.

The Barts Research Development Trust, a registered autonomous charity, has been set up in perpetuity by donors to assist Barts in raising the money needed. The immediate aim of the trust is to establish a fund of £5m spread over the next seven to 10 years. The *long* term aim allows for continuity in the future planning and independent development of the research centre.

The fund is directing its appeal mainly to companies, institutions and individuals in the City's "square mile." Its fund raising committee is headed by Mr. Francis Perkins, chairman of the Insurance Brokers Registration Council.

Divers' safety standards cut, says MP

COMMERCIAL pressure from the diving industry is determining standards for North Sea divers rather than safety factors, an MP claimed yesterday.

Mr. John Prescott, Labour MP for Hull East, said in Aberdeen that the latest legislation represented an actual reduction of standards in some areas.

The oil industry was spending only a fraction of the money earned from North Sea oil on diver training. "We cannot accept the situation," said Mr. Prescott. He would request a debate on the new diving regulations now before Parliament.

"We were alarmed to discover that they are reflecting standards that have been reduced in certain areas. Our divers will be certificated to a quality of training less than exists in Norway or France who originally adopted our standards," he said.

Training time for air divers in those two countries was double that required in the UK.

Mr. Malcolm Williams, chairman of the Association of Offshore Diving Contractors and joint director of diving company Wharton Williams Taylor, dismissed Mr. Prescott's criticisms and disagreed that standards had been lowered.

F.T.-ACTUARIES SHARE INDICES

QUARTERLY VALUATION

The market capitalisations of the groups and sub-sections of the FT-Actuaries indices as at March 31, 1981, are expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for December 31, 1980, both before and *after the 1980 year-end* changes.

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses denote number of stocks)	Market capitalisation as at Mar. 31, 1981 (£m.)	% of all share Index	Market capitalisation as at Dec. 31, 1980 (£m.) †	% of all share Index †	Market capitalisation as at Dec. 31, 1980 (£m.)	% of all share Index
1	CAPITAL GOODS GROUP (214)	19,404.6	21.90	16,032.5	19.38	12,613.3	15.24
2	Building Materials (25)	2,730.0	3.08	2,263.9	2.74	2,263.9	2.74
3	Contracting, Construction (28)	1,486.0	1.68	1,006.5	1.22	1,006.5	1.22
4	Electricals (27)	7,371.3	8.32	6,544.2	7.91	5,148.1	6.22
5	Engineering Contractors (11)	505.4	0.57	465.5	0.56	465.5	0.56
6	Mechanical Engineering (71)	3,523.4	3.98	2,627.4	3.17	2,699.4	3.26
8	*Metals and Metal Forming* (13)	1,005.6	1.13	816.1	0.99	1,029.9	1.24
9	Motors (21)	640.6	0.72	625.6	0.76	—	—
10	Other Industrial Materials (18)	2,144.2	2.42	1,683.3	2.03	—	—
11	CONSUMER GOODS (DURABLE) GROUP (—)	—	—	—	—	—	—
12	*Lt. Electronics, Radio, TV* (—)	—	—	—	—	3,092.4	3.74
13	Household Goods (—)	—	—	—	—	2,342.8	2.83
14	Motors and Distributors (—)	—	—	—	—	124.0	0.15
		—	—	—	—	625.6	0.76
21	CONSUMER GOODS (NON-DURABLE) (—)	—	—	—	—	19,094.7	23.08
21	CONSUMER GROUP (196)	24,926.7	28.13	22,346.6	27.01	—	—
22	Breweries (—)	—	—	—	—	2,155.9	2.61
22	*Brewers and Distillers* (20)	4,155.3	4.66	3,753.3	4.35	—	—
23	Wines and Spirits (—)	—	—	—	—	826.2	1.00
24	Entertainment, Catering (—)	—	—	—	—	1,580.0	1.90
25	Food Manufacturing (22)	3,679.0	4.36	3,280.4	3.97	3,280.4	3.97
26	Food Retailing (14)	1,994.0	2.25	1,738.7	2.10	1,738.7	2.10
27	*Health & H'hold Products* (7)	2,195.6	2.48	2,061.5	2.49	—	—
29	Leisure (22)	2,118.1	2.39	1,865.2	2.26	—	—
32	Newspapers, Publishing (12)	265.9	0.30	231.3	0.28	231.3	0.28
33	Packaging and Paper (14)	958.9	1.08	800.5	0.97	800.6	0.97
34	Stores (44)	6,802.1	7.68	6,307.3	7.62	6,307.3	7.62
35	Textiles (21)	808.4	0.91	679.7	0.82	694.2	0.84
36	Tobaccos (3)	1,598.4	1.80	1,459.6	1.76	1,459.6	1.76
37	Toys and Games (—)	—	—	—	—	20.5	0.03
39	*Other Consumer* (17)	174.8	0.20	159.0	0.19	—	—
41	OTHER GROUPS (78)	6,426.0	7.25	6,384.6	7.71	9,963.3	12.04
42	Chemicals (15)	2,495.2	2.82	2,864.3	3.46	3,347.6	4.05
43	Pharmaceutical Products (—)	—	—	—	—	2,061.5	2.49
44	Office Equipment (6)	632.3	0.71	547.8	0.66	547.8	0.66
45	Shipping (—)	—	—	—	—	536.7	0.65
46	Shipping and Transport (13)	956.0	1.08	806.4	0.97	—	—
46	Miscellaneous (44)	2,341.5	2.64	2,167.1	2.62	3,319.7	4.01
49	*INDUSTRIAL GROUP* (488)	50,756.3	57.28	44,763.7	54.10	44,763.7	54.10
51	Oils (12)	11,861.2	13.39	13,829.8	16.72	13,829.8	16.72
59	500 SHARE INDEX	62,617.5	70.67	58,593.5	70.82	58,593.5	70.82
61	FINANCIAL GROUP (118)	16,246.5	18.34	14,887.1	17.99	14,887.1	17.99
62	Banks (6)	3,376.4	3.81	3,553.7	4.30	3,553.7	4.30
63	Discount Houses (10)	192.2	0.22	182.7	0.22	182.7	0.22
64	Hire Purchase (4)	310.7	0.35	283.7	0.34	283.7	0.34
65	Insurance (Life) (10)	1,972.2	2.23	1,722.6	2.08	1,722.6	2.08
66	Insurance (Composite) (9)	3,276.9	3.70	2,826.6	3.42	2,826.6	3.42
67	Insurance Brokers (8)	721.3	0.81	656.4	0.79	656.4	0.79
68	Merchant Banks (13)	841.1	0.95	786.9	0.95	786.9	0.95
69	Property (48)	4,632.0	5.23	3,951.6	4.78	3,951.6	4.78
70	Miscellaneous (10)	923.7	1.04	922.9	1.11	922.9	1.11
71	Investment Trusts (109)	5,450.5	6.15	5,149.7	6.22	5,149.7	6.22
81	Mining Finance (3)	2,246.7	2.53	2,166.1	2.62	2,166.1	2.62
91	Overseas Traders (20)	2,050.6	2.31	1,940.9	2.35	1,940.9	2.35
99	ALL-SHARE INDEX (750)	88,610.9	100	82,737.3	100	82,737.3	100

† After year-end changes.

UK NEWS—LABOUR

Moss Evans recovering after collapse

MR. MOSS EVANS, 56, general secretary of the Transport and General Workers' Union, was recovering in hospital yesterday after collapsing at his home in Hemel Hempstead, Herts. He was described as "comfortable" by the hospital.

Mr. Evans, who collapsed on Thursday night, is believed to have a perforated ulcer.

TGWU sends aid to Solidarity

THE TGWU Finance and General Purposes Committee authorised a donation of £4,000 toward the TUC target of £20,000 to buy office equipment in four major regions of Poland—Gdansk, Warsaw, Poznan and Wroclaw—as a contribution toward "the union needs of Solidarity." The union said it was "pleased to make this positive gesture to assist in the communications of the leadership of Solidarity and its members."

Airways engineers reject 8% rise

BRITISH AIRWAYS' 6,000 ground service staff have reached agreement on an 8 per cent pay rise, but shop stewards representing engineering and maintenance workers have rejected a similar offer. The ground services settlement, agreed at national level, is effective from April 1. The engineering and maintenance stewards said that talks continued on the pay dispute, but there would be no industrial action over Easter.

Severance deal dockers go soon

THE FIRST dockers on the register in the Port of Liverpool who accepted improved severance terms to take voluntary redundancy are expected to leave next week. The £16,000 severance pay for men with 20 years' service, with £5,500 more from the Government, runs to the end of this month.

There has been discontent in other ports because the "bonus" applies only to the ports of Liverpool and London.

Shipworkers strike over sackings

BY PAULINE CLARK, LABOUR STAFF

A STRIKE by 200 Tyneside shipyard workers and a series of mass meetings in Clydeside yards calling for action over jobs yesterday marked the first-ever issue of compulsory redundancies by British Shipbuilders.

As local managements of yards owned by the loss-making state-owned corporation delivered the first batch of more than 600 notices to staff and manual workers, one union leader called on the chairman of British Shipbuilders to challenge Government policies or resign.

Yesterday's response to the notices was the first sign of mounting union anger over the jobs issue, to be hotly debated by a delegate conference of shipyard workers in Newcastle on Monday. The conference is expected, however, to give final approval to a 7.5 per cent pay offer recommended by union leaders.

The Confederation of Shipbuilding and Engineering Unions has so far held back from committing itself to a fight over compulsory redundancies, and was said yesterday by the Corporation to have refused to discuss the plans with employers early this week ahead of the Monday conference.

But on Clydeside mass meetings of workers at Govan, Yarrow and Scott Lithgow shipbuilding yards were said by shop stewards to have given "massive backing for war with BS" if enforced redundancies are implemented anywhere in the Corporation.

This gives shop stewards representing the area at the Newcastle conference an open mandate to support any proposal for action that arises out of the meeting.

The walkout yesterday morning by steel trades workers in the Middle Docks and Engineering subsidiary of Tyne Shiprepair group was believed to be the first strike to hit the Corporation over its decision to issue compulsory redundancy notices to make up for the shortfall in its 2,100 voluntary redundancies programme.

Some 100 notices were sent to identified individuals in the group, of which half went to staff. The group employs about 2,000 workers, and other trades were said to have continued normal working yesterday.

Addressing a meeting of shop stewards representing all Clydeside shipyards, Mr. Bill Niven, national organiser in TASS, the white collar section of the Amalgamated Union of Engineering Workers, said: "The chairman of British Shipbuilders should challenge the Government's monetarist policies—or resign."

Mr. Niven, whose union represents more than 7,000 staff workers in the shipbuilding industry, said the partnership between unions and the Corporation was "now dead."

"The chairman of BS, Mr. Atkinson, behaved like a dictator, and ignoring the advice of the CSEU is now insisting on compulsory redundancies."

He pointed out that the confederation has co-operated with BS in trimming the industry's capacity and manning levels on the basis of early retirement, natural wastage and voluntary redundancy. There had been a 20 per cent reduction in the number of employees since 1977.

Mr. Niven said TASS would be calling for action at Monday's conference to fight the compulsory redundancies.

Manchester airport faces disruption

BY PHILIP BASSETT, LABOUR STAFF

MANCHESTER AIRPORT faces disruption this weekend from action by immigration staff as part of the strikes and other action in the Civil Service against the Government's pay offer of 7 per cent.

Immigration officers will provide only a skeleton staff at the airport during peak traffic periods. This is expected to cause considerable delays, on the basis of action on previous weekends at London's Heathrow and Gatwick airports.

Fifty staff at the Liverpool passport office, which handles more than 20,000 personal and postal applications per week, will come out on strike on Monday. The action is likely to add considerably to the 3-4 week delays already being experienced by applicants.

The evening shift of the Customs staff at Dover came out from 6 pm last night until about 11 pm. The action was aimed at disrupting the passage of heavy cargo lorries to the Continent.

Large numbers of lorries usually make the Channel crossing on a Friday night because of regulations which prohibit the driving of heavy goods vehicles on a Sunday.

Staff at Leicester Crown Court will also take strike action on Monday as part of the unions' campaign in the English, Welsh and Scottish courts.

The Council of Civil Service Unions will announce on the same day further action in defence and Government communications. Staff at the Composite Signals Organisation's monitoring station at Culm Head, near Taunton, Somerset, an out-station of the Government Communications Headquarters, came out on strike last night.

The Government yesterday succeeded for the first time since it began operating its policy of suspending staff without pay in putting the final stage of the procedure into force.

The unions have until now avoided staff actually being suspended by pulling them out on strike before the final suspension notices can be issued. About 410 Inland Revenue staff are on strike.

The Revenue staff suspended yesterday—30 at London No. 7 Collection Office, in Acton, and 23 at the Wembley collection office—were placed on strike by the unions immediately after the final suspension notices were issued.

One of the reasons in the case of the Acton office for the suspensions, according to the unions last night, was that the Revenue's regional controller for the area locked the office door while he asked staff individually if they would be prepared to work normally.

The Inland Revenue Staff Federation formally protested to Mr. John Green, deputy chairman of the Board of the Inland Revenue.

The Government's committee on the dispute is meeting regularly to review progress. It is believed to comprise the Prime Minister, Sir Geoffrey Howe, the Chancellor, Mr. James Prior, Employment Secretary, and either Lord Soames, the Lord President of the Council, or Mr. Barney Heyhoe, Civil Services Minister.

Banking union urged to seek ballot aid

BY PHILIP BASSETT, LABOUR STAFF

MEMBERS OF another TUC-affiliated union are pressing their leadership to apply under the Government's Employment Act for funds to help mount secret ballots in the union, in defiance of TUC policy on the issue.

The Banking, Insurance and Finance Union's Sun Life of Canada branch asks in a resolution on the preliminary agenda that the union conference should authorise its executive committee "to apply for such funds for appropriate ballots."

The resolution adds the proviso that an application should be deemed "to be in the interests of the members of this union and of the trade union movement as a whole."

The conference, which opens in Blackpool on April 12, is likely to debate the question.

The policy-making national committee of the Amalgamated Union of Engineering Workers' engineering section will decide later this month whether to apply for funds. The union executive is thought likely to recommend in favour.

The Electrical and Plumbing Trades Union has not decided to apply for ballot funds, but it is not against accepting them.

The TUC is opposed to unions taking advantage of the Act's provision for financial aid. It has under its present constitution no sanction short of suspension or expulsion from Congress with which to enforce this decision.

BIFU leaders also face a considerable number of motions on the union's traditional non-party political stance.

London busmen lodge pay claim

LONDON TRANSPORT bus drivers and conductors yesterday lodged a pay claim designed to keep their earnings in line with the 13-14 per cent cost of living increase over the last 12 months.

The claim was submitted by the Transport and General Workers Union, whose members in the municipal and company bus undertakings have settled for a 7½ per cent pay rise.

Minimum weekly earnings of the 20,000 London busmen range from £88 to £102

Scottish dockers threaten action

By Ray Perman, Scottish Correspondent

ATTEMPTS will be made tomorrow to avert a threatened strike of 2,500 dockers at Scottish ports who are angry at the special treatment being given by the Government to redundant dockers in London and Liverpool.

The men decided on Thursday to call the stoppage for Monday, and to ask their union, the Transport and General Workers, to recall the National Docks delegate conference to discuss the issue. The Government has offered dockers in London and Liverpool supplements of £5,500 to their severance payments, bringing them to £16,000.

Mr. James Gilligan, Scottish Docks Group Secretary, met national officials of the union yesterday. He said new proposals would be put to delegates from Scottish ports at a meeting on Sunday.

● Dockers at Southampton agreed yesterday to return to work after a three-week strike which has crippled the south coast port. At a mass meeting the 1,600 dockers voted overwhelmingly in favour of their shop stewards' recommendation for the return. The dispute has halted all cargo handling at Southampton. Cross channel passenger ferries have been operating normally, but have not been carrying freight.

Mr. Ritchie Pearce, the dockers' leader, said a covering crew would be provided by the dockers for this evening's ferry sailings and it was hoped normal work would start tomorrow in the port.

● The Government's Conciliation and Arbitration Service (ACAS) was yesterday attempting to find a solution to the strike by more than 1,000 dockers which has brought passenger and freight services to a halt at the port of Felixstowe.

The dockers' union says there will be no return to work until the Felixstowe Dock and Railway Company withdraws a letter detailing changes of working conditions. The men claim they could lose up to £30 a week if the new conditions are implemented.

Tor Lines' car ferry service between Felixstowe and Gothenburg was suspended last night after dockers at the east coast port made their four-day strike official.

APPOINTMENTS

New chairman for CBI Education

Sir Donald Barron, vice-chairman of the Midland Bank and until recently chairman of Rowntree Mackintosh, has been appointed chairman of the CBI's Education Foundation in succession to Sir John Partridge, who has retired.

*

Mr. Nigel H. McLean, who recently joined the Board of NEWMAN INDUSTRIES, has been appointed chief executive of the company.

*

Mr. Hugh Carroll has been appointed principal manager, Middle East and Africa Division, LLOYDS BANK INTERNATIONAL. He was formerly senior regional manager of the division.

*

Mr. Robert A. Chereck has been appointed general manager of the London branch of FIRST NATIONAL BANK IN DALLAS.

*

Mr. Brian Shenton has been appointed a director of the ENGLISH INSURANCE COMPANY, a member of the General Accident group.

*

Mr. J. A. Hunsworth has ceased full-time duties as director of BANKING INFORMATION SERVICE. He will be undertaking special assignments for the clearing banks until his retirement at the end of the year. Responsibility for the work of BIS goes to Mr. I. C. Morison, head of the public affairs unit of the Committee of London Clearing Bankers.

*

Mr. Keith Carmichael has become managing partner of LONGCROFTS. Mr. Gerald Bunker remains a senior partner.

*

Mr. Arnold Nachmanoff and Mr. Peter K. Schumann have been elected executive directors of S. G. WARBURG AND CO.

*

Mr. A. J. Bayman, Mr. D. J. Brisacher, Mr. P. J. Connell, Mr. I. N. Cox, Mr. B. Dampier, Mr. R. C. H. Goodacre, Mr. S. R. Hill, Mr. E. J. Lloyd, Mr. G. J. Marshall and Mr. R. C. Yates have been appointed directors of ALEXANDER HOWDEN INSURANCE BROKERS.

*

Mr. D. J. Prosser, director, marketable securities, of the National Coal Board Pension Funds, has been appointed to the Board of DRAYTON PREMIER INVESTMENT TRUST.

*

Mr. M. F. S. Brentegani has resigned from the Board of SKETCHLEY.

*

Mr. W. Irwin, a non-executive director of BUTTERFIELD-HARVEY has retired from the Board.

*

Mr. Clive Thornton, chief general manager of Abbey National Building Society, is the new chairman of the METROPOLITAN ASSOCIATION OF BUILDING SOCIETIES.

*

Mr. Joseph Hatton has been appointed managing director of BORDER BREWERIES (WREXHAM). Mr. A. W. Gaade has retired from the full-time executive position of managing director but continues as chairman.

*

Mr. Wilf Cassel has resigned from the board of ARGYLL FOODS to live abroad.

*

Mr. Geoffrey S. Firth has been appointed a non-executive director of GLOVER BROTHERS (MOSSLEY), a member of the Capper Neill Group. Mr. Firth is managing director of Smith Wires, part of the Hawkins and Tipson Group.

*

Mr. Peter Tanner has been appointed managing director of MULTITONE COMMUNICATION SYSTEMS, the newly-formed UK operating company of Multitone Electronics PLC.

*

Mr. Kenneth Atkinson has been appointed an associate director of the NORDIC BANK. Mr. Atkinson is responsible for the bank's commercial lending outside the Nordic countries, and for the bank's leasing, project finance, export credits, and loan syndication activities.

*

Mr. Clifford Ernest Dyball has been appointed a director of HINTON HILL AND COLES (MARINE), a subsidiary of the Hinton Hill Group.

*

Mr. A. W. Anderson has become senior partner of CROUCH AND HOGG. Mr. W. M. Cormie has retired from the partnership but continues his association with the firm as a consultant.

*

Mr. J. White, who was appointed joint managing director of BUNZL PULP AND PAPER last November, has become sole managing director. Mr. E. G. Beaumont has relinquished the position of joint managing director but continues as executive chairman.

*

The Transport Secretary after consultation with Lord Shepherd, chairman of the NATIONAL BUS COMPANY, has appointed Mr. I. Dalton as a full-time member of the board for three years and nine months from April 1. Mr. Dalton has been regional director of the South-East region since January 1977, and on his appointment to the board will become the member for personnel services.

UK NEWS—THE FINANCE BILL

Business start-up scheme explained

THE REVENUE *statement on* the Government's Business Start-up Scheme says: In the course of his Budget Statement on March 10, the Chancellor of the Exchequer said:

"One of the biggest problems faced by people thinking of starting their own business is the difficulty of attracting sufficient risk capital to finance it during its critical early years. The amounts of additional money needed can be modest—at least as compared with the sums in which the big financial institutions commonly deal. But in *individual cases they can be* crucial. . . I am, therefore, introducing an entirely new tax incentive to attract individual investors to back *new enterprises. It is designed* for the outside or minority investor in certain new small trading companies, as distinct from the owner of the business, his close family and associates. I am calling it the business start-up scheme."

The detailed provisions for the business start-up scheme are provided by Clauses 50 to 63 of the Finance Bill.

The main features of the *scheme, as proposed in the* Finance Bill, are:

● Relief will be based on the amounts which an individual subscribes for newly issued ordinary shares in new or recently formed companies.

● *Relief will be given at the* full marginal rate of income tax, including the investment income surcharge. It will be given on a total of up to *£10,000 in any one year for* shares issued to any one individual (subject to a de minimis exclusion of less than £1,000 invested in any one *company*).

● The relief will be given for additional investment by an "outside" investor. For this purpose, an "outside" share*holder may effectively own up* to 30 per cent of the company but he may not control it, and he may not be an employee or paid director of the company. *More than one* "outside" shareholder may claim relief for investment in any company, but relief will not be given on more than a total of 30 per cent of the company's share capital. (Acting as a director will not, as such, disqualify a shareholder from claiming the new relief, pro*vided that he does not draw* fees from the company.)

● The investment must be for a genuine new business start-up. For this purpose, a "*start-up*" *is defined to* extend for the first three years of a company's business life. It also includes the case where a self-employed man starts a *business and subse*quently (but within the initial three-year period) incorporates. The relief is not available in respect of existing trades (more than three years old), or parts of existing trades, or for investment in new companies within a company group.

● *To qualify for the relief,* the company must exist to carry on one or more of certain genuine new qualifying trades. For this purpose, *a qualifying trade is defined* to exclude (broadly) dealing (including wholesale and retail distribution), leasing and financial activities and certain activities concerned with land (such as farming, forestry and other occupation of land on a commercial basis) which are "treated as" *trades under special pro*visions in the Taxes Acts.

● The investment must be a bona fide commercial investment, for the purpose of a *new qualifying trade, and not* for reasons of tax avoidance.

● The investment must be maintained in the company for five years and, normally, the conditions satisfied to the end of that period.

'Acorn company' plan deters wily operators

TO MAKE sure that wily operators do not use the Government's new Business Start-Up Scheme to try to avoid taxes, 17 pages of the Finance Bill is devoted to this aspect of the Budget.

The intention behind the scheme is to encourage people to put money into so-called "acorn companies" which need careful nurturing, both managerially and financially. At a very rough guess—the Government's own—about £50m tax *could be foregone through the* scheme, depending on its success and the tax status of those who take advantage of it.

The Confederation of British Industry said, without an abundance of enthusiasm, that the scheme went significantly *towards what it had asked for* in its Budget representations. It is still studying the 14 clauses of the Bill relevant to the scheme. "We are pleased we have got it."

The scheme is designed predominantly to encourage investment in manufacturing companies. Excluded from the Bill's provisions are investments in new firms in distribution, leasing and financial activities, and farming and forestry.

The question, therefore, is whether people with £10,000 to spare are likely to want to put it into manufacturing rather *than, say, computer services or* some other form of new technology venture.

"I really can't see people coming up with the money," *said Mr. David Tallon, a partner* in accountants Dearden Farrow.

In legislative terms, he said, moreover, "there seems to be an anti-avoidance overkill."

Initially, *the scheme is to run* for a trial period of three years. To qualify for the tax relief, investments must stay in the business for at least five years, though the investor will not have to wait long to claim from the *Inland Revenue*.

Tax free sickness benefits to end

EMPLOYEES WHO fall sick will no longer be able to receive *tax free payments from their* employers. The Finance Bill proposes that from April, 1982, such payments will be treated as emoluments and taxed under Schedule E, whether they are made directly by the employer, or from an insurance scheme, *or through an established* trust.

Up to now, employers have *been able to take advantage of* a tax anomoly—Extra-Statutory Concession A. 28 to make sickness payments free of tax by means of an established trust. The employer paid the benefits to the trust, usually through an insurance arrangement, and the trust paid the employee his sickness benefits.

Under this concession, the benefits were free of tax for the existing tax year and the next full tax year, thereafter being taxed as unearned income. So *there is at least a 12 months,* and possible a 24 months, tax holiday. These sick pay arrangements designed for the first few weeks of sickness made full use *of this tax freedom.*

In addition, since the employee was technically not on the payroll, neither he nor his employee paid National Insurance Contributions. Thus the employer had only to pay enough to make up the employee's take home pay after tax and NI contribution deduc*tions, and the employer saved* on his NI contributions.

This move by the Government, which was not announced in the Budget itself, is in line with its proclaimed objective of bringing all sickness benefits, including social security payments, within the tax orbit. But the Inland Revenue stated that the provision was necessary because of these avoidance schemes which were costing £50m in lost tax.

But the implications of the clampdown are much wider *than mere loss of revenue.* Employers have established comprehensive sick pay schemes for employees after negotiations with trade unions based on cur*rent costings. To continue to* provide such benefits could double their costs in what is a social service rather than a labour requirement. Employers *will either decide to end or cut* back on the scheme's benefits to the detriment of the sick.

Crown Life, the leading insur*ance company in this field*, is *endeavouring to co-ordinate the* opposition to the proposals involving all interested parties. *There are three major industry* schemes covering electrical con*tractors, plumbing and heating* and ventilation that have association schemes on this basis. All deplore the lack of prior consultation by the Government.

Crown intends to make a professional lobby of the Government, seeking at least a postponement of the changeover, since 12 months is too short to *renegotiate with unions.* But primarily it wants a complete reappraisal of the situation by Government.

THE 1981 Finance Bill, published yesterday, sets out in detail the Government's fiscal proposals as announced in the Budget. Although virtually all the measures in the Bill have already been announced, there is considerable detail which is new. This is reflected in the fact that the Bill is accompanied by an unusually long list of "Press releases," the semi-official *documents which the Revenue uses to convey background* information and interpretation to the Press and tax practitioners. The most important of these are reproduced on this page.

The Bill itself is thought to be the longest since 1974. At a *cost of £6.70 from the Stationery Office is also the most* expensive.

FT writers Tim Dickson, Andrew Fisher, Michael *Lafferty, Eric Short and David Wainman review below the* Bill's principal measures.

Golden handshake changes welcomed

LOSING A job is enough of a nightmare without the Inland Revenue *luring in the back*ground. For this reason there will be a loud "three cheers" from accountants and others with the interests of the redun*dant at heart following the de*tailed changes on the taxation of golden handshakes published yesterday.

The changes were not un*expected butt hey are no less* welcome for that. What basically is happening is that the old £10,000 threshold up to which all payments were free of tax is *being raised to £25,000 and the* method of calculating the liability on the balance has been greatly simplified.

The new rules, which come into effect on Monday, mean that the vast majority of em*ployees in industry will be able* to take their golden handshakes tax free. Only those receiving six figure sums — though even here much can depend on indi*vidual circumstances* — are likely to be worse off.

The Inland Revenue has calculated that only 4 per cent of all those who lose their jobs *will lose out.*

Accountants will no doubt breath a sigh of relief that the Standard Capital Superannuation Benefit — a complicated *and seldom exercised option for* calculating the tax liability — has been abolished. More significantly, perhaps, the equally complicated top slicing relief *also disappears, to be replaced* by a much simpler system.

Top slicing relief was open to abuse by those abole to afford expensive advice while others *less fortunate sometimes in*advertently ended up paying ludicrously high marginal rates. Someone, for example made redundant at the start of a financial year could be heavily penalised if they took a new job immediately.

From now on the balance over £25,000 will be added to the employee's other taxable income for the year, including income from the old job. Tax *is then half the difference be*tween tax payable before taking into account the lump sum and the amount of tax payable if the whole of the txable part of the lump sum were treated as extra income for the year.

The Finnace Bill changes follow the publication of an Inland Revenue Consultative *Document issued in 1979.*

As Mr. oJhn Jeffrey-Cook of accountants Deloitte Haskins and Sells says, "The outcome illustrates the great value of the new consultative paper approach. Belatedly these changes are very welcome."

Trap in store for the unwary

ONE OF THE Bill's proposed amendments of capital transfer tax legislation says, in relation to free loans, that all the 1976 provisions are to be repealed *with effect from April 6, 1981.*

This is a trap for those who *believe they can take tax legis*lation at its face value.

An individual who lends money free of interest to another for a fixed term has always been regarded as making a "transfer of value" taxable at the date the loan is first made by *reference to the lender's* opportunity cost. That is to say his economic loss through not charging interest. That provision is not to be altered.

The transaction freed from tax by the Finance Bill is *different.* An individual who lends money on the basis that he can at any time ask his debtor for repayment used to be taxed as if he had made an annual gift of the amount not charged as interest for the year concerned.

It was generally agreed that under these previous rules a parent *could not sell his house* to his children leaving the sale price outstanding interest-free and then forgive each year an amount of that purchase price equal to the annual *exemption from capital transfer tax.*

Perhaps, if he now thinks he is free to do a similar transaction, he should first consider *how easily he can demonstrate* to the Revenue that the loan is genuinely repayable by his children at any time he demands.

Tax changes made on termination payments

THE REVENUE'S statement on payments on termination of employment says: In his Budget statement, the Chancellor of the Exchequer announced important changes *in the taxation of lump sums* received by employees on termination of their employment. The Finance Bill sets out the detailed changes.

In calculating the tax due on a lump sum to which the new rules apply, the first £25,000 of the lump sum is disregarded. The balance is then added to the employee's other taxable income for the year and the tax charge on the lump sum is then *half* the difference between (a) the amount of tax payable before taking into account the lump sum, and (b) the amount of tax which *would* be payable if the whole of the taxable part of the lump sum were treated as additional income for the year. This is best *shown in an example:*

	£
A has earnings from his employment of	20,000
other income	nil
lump sum	30,000
personal allowances	2,145
(a) Tax bill before lump sum: £20,000—£2,145	17,855
£11,250 @ 30%	3,375
£2,000 @ 40%	800
£3,500 @ 45%	1,575
£1,105 @ 50%	552
	6,302
(b) Tax bill on lump sum: £30,000—£25,000 exempt	5,000
Taxable income £17,855 + 5,000	22,855
£11,250 @ 30%	3,375
£2,000 @ 40%	800
£3,500 @ 45%	1,575
£5,500 @ 50%	2,750
£605 @ 55%	332
	8,832
Tax charge £8,832—£6,302	2,530
£2,530÷2	1,265

So A's total tax bill is £6,302 + £1,265=£7,567.

The method detailed above applies in respect of all terminations which take place on or after April 6, 1981. But, where before Budget *Day—March 10, 1981*—employees had arranged with their employers to be made redundant or otherwise to cease in employment on or *after April 6, 1981 on the* basis of the existing tax law, they may elect that the existing law (with the £10,000 threshold) shall apply to any termination payments to which they are entitled if that is to their advantage (which will only very rarely be the case).

Employers to deduct workers' car benefits tax

AN IMPORTANT new proposal which means empolyers will have to deduct tax on their employees' car benefits through the PAYE system was an*nounced in the Finance Bill* yesterday. Behind this change —which will take full effect from April 6, 1982—is the Government's declared policy of switching the administrative burden of deducting tax on benefits in kind away from the Inland Revenue onto the shoulders of employers. Re*action to the plan yesterday* suggested that it is unlikely to prove popular with companies.

Explained in principle in a Consultative Document published last year, the Government's idea is to simplify the *whole PAYE system* as much as possible ahead of computerisation.

At the moment benefits in kind are taxed by subtracting the cash equivalent of the benefit from an individual's allowances and sending the adjusted code to his employer. According to Mr. David Tallon of accountants Dearden Farrow, the Inland Revenue is anxious to get away from this system. "They are anxious to reduce the differences in coding for different taxpayers and, who knows, one day we may be paying mortgage interest net."

Yesterday's proposal places the burden of administration and collection of the tax on the company. In general terms each pay day the car is *available will* be treated as the appropriate fraction of the annual cash equivalent of the car as if it were a money payment. Tax will be deducted from the total of this amount and the employee's *actual* salary.

Mr. John Andrews, a tax partner in Coopers and Lybrand, said yesterday: "In principle these proposals look quite simple but in practice they may be more of a burden than the *Inland Revenue realised.*"

Political motives behind Vestey move

IN STRAIGHT revenue terms, closing the Vestey loophole is *hardly going to make the* Government much richer.

On its own estimates, it is likely to gain an extra £4m a year from cracking down on those who, *like the rich* Vesteys, avoided UK taxes by having funds invested in trusts abroad.

Other estimates, made before *yesterday's publication of the* Finance Bill, put the proceeds somewhat higher at between £20m and £30m.

Whatever the true figure in an area where close observation is highly difficult, it is clear that the Government has acted predominantly from political motives.

Clearly, the spectacle of wealthy tax avoiders remaining legally out of the Inland Revenue's reach was embarrassing to a Government com*mitted to belt-tightening and* financial sacrifice.

The *closing of the loophole* covers two clauses in the Bill. The first extends the tax liability to those who did not actually transfer assets abroad, *but who have nonetheless bene*fited from them. They will now be liable for tax if they live in Britain on any benefit received on or after Budget day, *March 10.*

Some tax experts, however, are looking more than a little askance at the second of these clauses, number 45, which gives *the Inland Revenue certain dis*cretion, as well as tidying up other aspects of the law. Clause 45 says that no amount of income should be taken into account *more than once* under the relevant section 478 of the Taxes Act (prevention of tax avoidance by transfer of assets abroad).

But, where there is a choice over the persons for whom any amount of income can be taken into account, this should be done so "as appears to the Board (*of the Inland Revenue*) to be just and reasonable."

If those subject to the tax assessment disagree, they can appeal to the Special Commissioners set up to hear such objections.

When the Law Lords found for the Vesteys in November 1979, Lord Wilberforce said that *taxes were imposed on subjects* by Parliament. He said a citizen could not be taxed "unless he is designated in clear terms by a Taxing Act as a *taxpayer* and *the amount of his liability is* clearly defined."

He said: "A proposition that whether a subject is to be taxed or not, or that, if he is, the amount of his liability is to be decided (even though within a *limit*) *by an administrative body* represents a radical departure from constitutional practice."

It was possible, said Lord Wilberforce, that the Inland Revenue "could persuade Parliament to enact such a proposition in such terms that the courts would have to give effect to it." This is what seems to have happened.

In the view of Mr. Hugh Blakeway-Webb, a tax manager at accountants Deliotte Haskins and Sells, giving the type of discretion to the tax authorities that exists in Clause 45 "seems a radical departure from taxation principles."

Pensions flexibility after job changes

THERE IS a growing trend *among occupational pension* schemes that when an employee retires, or changes job, he need not get his pension payments direct from the scheme itself. *Instead, he may be credited* with the cash value of the pension so that he may purchase an annuity with any life company of his choice.

This feature, known as the open-market option, offers employees the chance to secure benefits higher than those which his own pension scheme would provide.

But occupational pension schemes *wishing to provide* such an option have to change the rules of the scheme. This means seeking fresh approval from the Inland Revenue for tax exemp*tion. Tax approval for pension* schemes is available either under the strict conditions of Section 19 of the 1970 Finance Act or at the discretion of the Inland Revenue under section 20 of that Act. Almost all schemes get discretionary approval.

Clause 32 of the Finance Bill will amend the 1970 Finance Act so that pension schemes can now give this open market option without endangering their tax status.

This move is welcomed by the pensions industry as giving *encouragement to schemes to* provide something better for employees who change jobs. At *present, if employees change* jobs after more than five years *service, their legal entitlement* is a pension fixed in money terms based on service to the date of leaving and salary at the time of leaving. There is no revaluation for inflation.

With the open-market option, *the employee changing jobs can* use the value of his benefits to buy a deferred annuity from a life company. If it is a with-profit or a linked contract, he *can secure benefits at retire*ment with some hedge against inflation.

Also, as far as the original pension scheme is concerned, paying a cash value means that the former employee goes off the *books, and the fund's* records are not cluttered up with former employees receiving diminishing pension values in real terms, with the problem of keeping in touch.

The Bill, however, does not make provision of *open-market* options obligatory on pension schemes.

Interest relief for property groups

ONE UNUSUAL aspect of the Bill, which should lead to considerable improvements in property company accounts, is a provision relating to the allowability of interest. Ever since the mid-sixties Chancery Lane case *British property companies* have been forced to go through extraordinary contortions in their published accounts to get tax relief on interest paid.

In effect, they had to pretend that interest which would normally have been capitalised in respect of developments, was charged against profits. Under one approach, this was done by making equivalent transfers into the profit and loss account from capital reserves.

The new Finance Bill says that interest is tax deductible, even where it is capitalised.

The proposed provision was welcomed yesterday by Mr. Philip Sober, accounting adviser to the British Property Federation. "The results should begin to show through in the next sets of accounts," he commented.

Agency disadvantage remedied

IN A statement, the Inland Revenue said: Clause 34 of the Finance Bill supplements the provisions of Section 38 of the Finance (No. 2) Act 1975, which applies PAYE to payments made to workers supplied by agencies. This notice describes the general effect of the clause.

Section 38 of the Finance (No. 2) Act 1975 provides for agency workers to be taxed under Schedule E, in the same way as employees, and thus for payments made to them to be subject to deduction of tax under PAYE.

However, while the Section applies PAYE to payments of remuneration to individuals, it does not do so to payments to companies. A substantial number of individuals obtaining work through agencies now do so through the medium of a company, with the result that the provisions of Section 38 do not apply. In many cases this has led to a loss of tax; it also puts at a disadvantage agency workers who are paid as individuals.

Clause 34 of the Bill therefore requires a deduction at a rate of 30 per cent to be *made from payments to com*panies obtaining work through agencies. Companies will be entitled to set off the deduction against their corporation tax liability, any excess being repayable.

The effect of this will be that, where the true tax liability is being met, no more tax will be payable than under existing law.

New rules on the way for car benefits

THE Inland Revenue yesterday announced changes in the way in which car benefits are to be taxed. The changes follow a *consultative document* issued last year, on taxation of benefits in kind.

Among the topics on which representatives were invited was a proposal that PAYE should be operated so that tax would *be* deducted by the employer each pay day from the combined total of the cash pay and the weekly or monthly equivalent of the benefit, *instead of the present system* under which this benefit is taken into account in the PAYE coding applied to the cash pay.

The Finance Bill contains a provision which adopts this proposal in relation to car bene*fits the cash equivalent of which* is determined by scale rates laid down in the Finance Act 1976 and varied by Treasury Order.

The scale rates for 1981-82 (*which are to be increased by* about 20 per cent for 1982-83) are shown in the table:

		Cars under 4 years old £	Cars 4 years old or more £
A	Cars with original market value up to £9,600 and having a cylinder capacity—		
	1300 cc *or less*	230	155
	1301-1800 cc	300	200
	More than 1800 cc	450	300
B	*Cars with original market value up to* £9,600 and not having a cylinder capacity—		
	Less than £3,000	230	155
	£3,000-£4,200	300	200
	£4,200-£9,600	450	300
C	Cars with original market value over £9,600		
	£9,600-£14,400	640	440
	Over £14,400	1,050	700

This new method of charging the benefits will have effect from April 6, 1982, and will not affect the amount of the annual cash equivalent.

The Board of Inland Revenue will have power to make Regulations governing the detailed operation of the scheme.

In general terms each pay day an employer who has made a car available to an employee will *treat the appropriate fraction* of the annual cash equivalent of the car as if it were a money payment, and deduct tax from the total of that amount and the actual salary or wages he is paying.

If, in the exceptional case, the *tax deductible exceeds the* actual money payable so that the employer cannot deduct the full amount of tax due on the combined total, he may arrange *for the employee to reimburse* him for the excess tax he has to pay over to the Collector of Taxes.

If he does not do so he will *be treated as having provided a* further benefit equal to the amount of the tax which he has borne. (In calculating the amount of this benefit the PAYE grossing-up procedure which otherwise applies where an employer "pays his employee's tax" will not apply.)

In the normal case it will be a straightforward matter for the employer to decide the cash equivalent of the car.

But when the cash equival*ent has to be varied*—because the car is not available for a period; by reason of insubstantial or preponderantly business use; to take account of the employee's contributions; or because more than one car is provided—the Inspector will notify the employer of the variation in *the amount which is to be* treated as pay each pay day.

The details of the scheme will be contained in the Regulations, but a specification of the items needed for payroll planning purposes, which will assist computer users, will be made available as soon as possible.

Unemployed and strikers benefits to be taxed

THE REVENUE issued a statement on taxation of benefits paid to the unemployed and to strikers, saying: The Chancellor of the Exchequer announced in last year's Budget Statement the Government's intention to bring into tax social security benefits paid to the unemployed and to strikers, from April 6, 1982. The Finance Bill includes provisions to give effect to this, and this Notice describes their general outline.

The benefits to be taxed (in Clause 27 of the Bill) are unemployment benefit and supplementary benefit paid to the unemployed. In the case of *strikers, the benefit to be taxed* is the supplementary benefit which a striker may claim in respect of an adult dependant. Benefit is not payable to a striker on his own account other than in certain restricted circumstances of urgent need.

Additions to unemployment and supplementary benefit for children, housing and exceptional circumstances will not be taxed. The Bill therefore provides for unemployment benefit to be taxed up to the standard rate, including the addition for a wife or adult dependant where appropriate, and for supplementary benefit paid to the unemployed to be taxed up to the same levels.

The *detailed procedures for* bringing the benefits into tax will be set out in Regulations, to be made later this year, under Section 204 of the Income and *Corporation Taxes Act* 1970. The procedure for taxing benefits paid to the unemployed will provide that the claimant will not suffer deductions of tax *until the period of unem*ployment, nor receive a refund of tax until the end of the period of unemployment or the end of the tax year, whichever is the sooner.

In the case of strikers receiving benefit, tax will not be deducted from benefit as it is paid but will normally be collected by an adjustment to the individual's PAYE code.

Vestey case loophole closed

THE REVENUE issued the following statement on tax avoidance by way of transfers of assets abroad.

Clauses 44 and 45 of the Finance Bill implement the proposal outlined in Chancellor's Budget speech to deal with the gap revealed by the House of Lords in their deci*sion*, in cases concerning the Vestey family, in the rules dealing with avoidance of tax by way of transfers of assets abroad.

In addition they make other changes in the rules to meet criticisms and remedy defects.

The House of Lords' deci*sion revealed that the exist*ing rules (contained in S478 et seq of ICTA 1970), taxed only those who took part in such transfers and did not apply to others who received benefits as a result.

Under Clause 44 such non-transferors will be liable to tax, if they are ordinarily resi*dent in the UK* on the amount or value of any benefit which they receive on or after March 10 this year.

Inland Revenue granted more discretion over pension schemes

THE INLAND REVENUE issued the following statement on early leavers from occupational pension schemes: Clause 32 of the Finance Bill proposes the addition of a new paragraph to subsection (2) of Section 20 of the Finance Act, 1970. Section 20 gives the Board of Inland Revenue discretion to approve occupational pension schemes for tax relief purposes that do not satisfy the strict conditions for approval under Section 19.

Subsection (2) of Section 20 points specifically to certain areas in which the Board may exercise their discretion. The new paragraph (g) concerns the individual who, on leaving pensionable employment, may wish to have his pension benefits secured by means of an annuity contract *taken out with an* insurance company by the trustees of the scheme. He may prefer to have his benefits secured in this way, even though they might otherwise be transferable to a new employer's pension scheme.

Alternatively, he may be moving to non-pensionable *employment or becoming self*-employed.

A number of pension schemes already offer this possibility. The intention of the new paragraph is to make it clear that where a scheme wishes to incorporate such a feature in its rules, discretionary tax approval *will not be refused.*

The new paragraph emphasises that there is no objection to provision being included in the rules for the *annuity contract to be taken out* with an insurance company of the individual's choice. However, the annuity contract which may be purchased is not a *retirement annuity contract for* the purposes of Section 226 of the Taxes Act.

Section 226 provides for tax relief on the qualifying premiums paid under an approved retirement annuity contract by an individual who is self-employed or in non-pensionable *employment. Such relief is not* due when a premium is paid by a pension scheme to secure an annuity for an early leaver because tax relief has already been given on the contributions to the scheme.

Nevertheless, under Section 323(4) (aa) of the Taxes Act, the premium paid by the *scheme will, like a retirement* annuity premium, be treated as part of the pension business of the insurance company.

Capital sums paid by trusts

THE Inland Revenue issued a statement on capital sums paid by trusts, *saying*: clauses 41-43 of the Finance Bill 1981 implement the proposal mentioned in *the Chancellor's Budget Speech* to amend the rules governing the taxation of capital sums paid by trusts. The present rules are contained in Section 451 *of the Taxes Act 1970*, which is part of the tax legislation relating to settlements. The proposal follows the issue of an Inland Revenue consultative *paper last autumn.*

The major measure (in Clause 42) is that loans or repayments of loans to settlors by companies connected with settlements should be taxed *only to the extent* that the capital sum paid is associated with a *transfer* of funds from the settlement to the company. Temporary loans of this kind would be exempt from tax.

Other measures (in Clauses 41 and 43) are of a technical nature and include amending the definition of capital sum to include a payment conferring a pecuniary advantage on the settlor, lessening the occasions *of tax charge where loans are* paid off, repeated or readvanced and eliminating double tax charges.

Proposal to change sick pay schemes

THE REVENUE issued the following statement on sick pay schemes: the Finance Bill contains legislation to bring into charge under Schedule E sick pay provided at employers' expense for employees absent from work by reason of sickness or disability. Sums paid by means of arrangements entered *into by employers are to be* treated as emoluments whether they are paid by the employer or by some other person, e.g. trustees or an insurance company. This change has effect from April 6, 1982.

THE WEEK IN THE MARKETS

Reconstruction week

This is national reconstruction week on the Stock Exchange. In successive days, the battered hulks of Duport, BPC and the Weir Group were patched up with thick wads of *preference shares and special* forms of bank support, and shoved back into the water.

Thanks to these reconstruction schemes, the three groups have been pulled back from the brink of disaster. But the rescue announcements have not been greeted ecstatically by shareholders. In each case, the news was followed by falls of up to a fifth and more in the already very depressed share prices of the groups concerned.

The explanation is that the financial condition of the three groups before their reshaping was even more serious than had been realised. In the case of Duport, the disposal and closure of its steel interests had *reduced distributable* reserves by £36.1m and there were hefty redundancy costs on top of that. As a result, net assets have slumped from £65.9m at the beginning of 1980 to just £11.4m today, and the group has been saved by the sale of some of its steel interests to British Steel and by the agreement of its bankers to subscribe £4.5m of equity-type finance. As a result net bank borrowings are *down to £9m.*

The group expects to lose money in the year to next Janunary, and there is no prospect of a dividend *on* the ordinary for some years to come. However, the group has one or two decent brand names —Slumberland and Vono beds, for instance—and with the market capitalisation down to £4m, the shares have probably fallen far enough.

The Weir Group's reconstruction will leave it with shareholders' capital of £42.3m supporting net debt of £26.7m and *places major constraints on* the payment of dividends to the ordinary shareholder in the next few years. However, the group appears convinced that the management of its pumps business—the prime cause of its disaster—has been pulled into shape, and although there are no profit forecasts the board believes that the proposed capital reconstruction will establish the financial basis necessary to achieve a return to acceptable profits. The market capitalisation is down to about £5m.

The last of the trio is BPC, and its ebullient new chief executive Mr. Robert Maxwell says that its future will be assured if the reconstruction goes through. Like the other two companies, though, it will remain in the high-risk category with stockholders' funds of £50.9m (including a big slab of preference shares) and borrowings of nearly £40m. The *future* of the shares, now capitalised at around £7m, depends on whether BPC's £200m or so of sales can be made to produce profits. Last year brought a pre-tax loss of £11.3m.

Reckitt revives

Reckitt and Colman's pre-tax profits have held in the £50m/£60m range since 1976, and it looked at one stage late last year as though they were about to break out in the wrong direction. The company had been badly hit by customer destocking, not just in the gloomy old UK, but in other markets where, even if recession was

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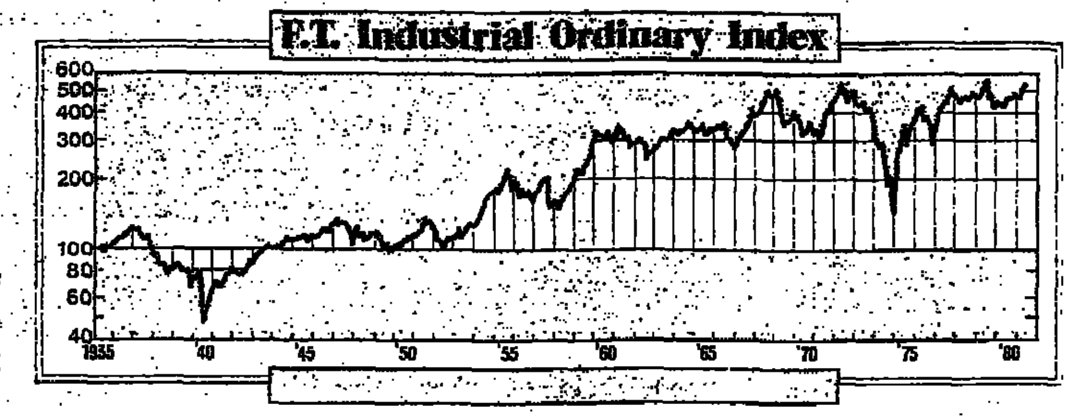
ONLOOKER

not a serious problem, high interest rates had persuaded *retailers to be very careful* about their inventory levels.

At the half way stage Reckitt's profits had been slightly down, and borrowings had risen by some £30m, mostly to finance slow-moving working capital. But in the past two months of the year things got decidedly better, and the extra volume that Reckitt saw then came straight through to profit.

So pre-tax profits worked out *at £53m (against £51m in* 1979), which compared favourably with analysts' estimates of around £45m/£47m. In an equity market as strong as this week's, that was enough to set things sizzling, and Reckitt's share price has been a strong performer. Incidentally, the strong last quarter is not peculiar to Reckitt's: other companies selling to the supermarkets such as Unilever, *Cadbury Schweppes and United* Biscuits have reported similar experiences.

The market also likes the way the group has begun to tackle the problems (many of them self-inflicted) which have built up over the last few years. In the U.S., particularly, Reckitt has been taking out the knife: one failed food venture has been closed down, and the potato business has been shrunk to a size at which it is showing decent profits. At home, a hard cold eye is being cast over some slow-moving product lines. But the share price is still looking a fair way ahead: most companies on Reckitt's premium rating have a good deal more current cost cover for their dividend.



Ocean swells

After two years of rough weather, **Ocean Transport and Trading** avoided the squalls this week by producing an 80 per cent recovery in its pre-tax profits, up to £35.5m against £19.7m *in 1979*. Monday's *preliminary* results included £2.1m of ship disposals, but the improvement was nevertheless impressive.

The recovery came mainly from the group's shipping interests, such as Barber Blue Seas, the business now profiting from U.S./Middle East trade. Straits Steamships in the Far East also helped out and the Nigerian trade bounced back after a dismal 1978-79.

The group's non-shipping interests were helpful, but not huge; port freight forwarding and oilfield services contributed £5.5m, coal trading and energy services provided £2.7m and property kicked in £3.4m.

Ocean, perhaps with the sting of 1978 and 1979 still in mind, was not overly generous with its dividend payment. The total net came to 9p, against 8.9p in 1979. This produces a yield of 9 per cent at yesterday's share price *of 149p.*

Carpets worn thin

Tales of woe are all too familiar in Britain's battered carpet sector. Falling sales combined with stiff competition from cheap imports have depressed the earnings of even the most competitive and efficient British manufacturer.

It was, therefore, hardly surprising that Carpets International, which has produced indifferent results for the past seven years and failed to reach the earnings peak of *£7.91m* scaled in 1973, should unveil a poor set of figures for 1980.

Despite brave words last Thursday from chairman, Mr. J. M. Carpenter, about strong management disciplines in the control of borrowings and debt/equity ratio, Carpets International is in deep trouble where it counts—Europe. Results for the year-end January 3, 1981 show its European operations made a loss of £7.13m on a turnover of £80.35m. In addition higher sales in America and Asia translated into lower profits in the U.S. and a larger loss in the *Far East*. The one bright spot was Australia, which moved into the black, but even here margins are nothing to shout about.

The group has taken steps to cut costs by reducing factory space by over a quarter and making 1,400 of its staff redundant. *These measures together* with a £3m cut in borrowings should save the group around £6m a year.

But cutting costs as many British carpet manufacturers can attest is not the whole answer. Mr. C. Plumbe, the newly appointed director of UK strategy operations, may have won the costs battle but he has yet to prove Carpets can win the sales war.

Results and accounts in brief

COMPCO HOLDINGS (property investment and development)—Results for half year September 25, 1980: Pre-tax profit £161,611 (£128,186). tax £87,894 (£43,856). Earnings per 20p share 3.6p (4.11p). Directors anticipate a similar performance in the second *half.*

RECORD RIDGWAY (hand tools and forgings)—Results for year to September 28, 1980, already known. CCA pre-tax loss £1.33m (£0.93m) against *historical loss £262,000 (£238,000 profit).* Shareholders' funds £10.88m (£12.84m). Bank loans and overdrafts £3.27m (£2.98m); medium term loan £2.5m (same). Board believes changes implemented and planned ensure better prospects for current year. Meeting Sheffield, April 24, 3.30 pm.

ANGLIA TELEVISION GROUP — Results for year to October 31, 1980 reported January 22. Fixed assets *£6.73m (£4.18m)* bank balances and cash £974,000 (£2.09m); bank overdrafts £1.93m (nil); shareholders' funds £12.06m (£8.76m). The Marquess Townshend of Raynham, chairman, says prospects are good with new bases to be completed in Northampton and Chelmsford in 1981, and with growing opportunities for the sale of programmes for distribution by satellite, cable and home video. Meeting: Norwich, April 22, 1981, 2.30 pm.

ESTATES AND AGENCY HOLDINGS—Results for 1980 reported on March 21, *1981: Shareholders' funds £5.97m* (£4.04m): debtors £149,913 (£233,587): bank balance £80,724 (£4,256): creditors £304,720 (£187,307): bank overdrafts £134,758 (£428,744): long-term loans £1.27m (£472,000). Since year-end leasehold interest in 86-89, Piccadilly, London has been sold for £500,000. Meeting, Hotel Bristol, Berkeley Street, W. April 22, 11 am.

NOBLE AND LUND (machine tool manufacturer)—Results for 1980 reported on March 17, 1981; shareholders' funds £2.27m (£2.15m); net current assets £1.04m (£995,598): bank and cash £31,186 (£516): loss £29,000 against historic £82,020 profit. Chairman says company since year end has received order for large computer controlled milling machine which will hopefully lead to improved sales of large sophisticated machine tools Meeting: Felling, Gateshead, May 1.

INVERGORDON DISTILLERS (HOLDINGS)—Results for year to end-December, 1980 reported on March 3, 1981. Shareholders' funds £27.58m (£24.43m): bank overdrafts £150,000 (£3.27m). CCA pre-tax profit £2.77m (£2.33m). Chairman says early *indications are that the Scotch whisky* industry will continue to be affected by the adverse conditions that prevailed in the latter part of 1980. Meeting. Glasgow, May 6, 12.30 pm.

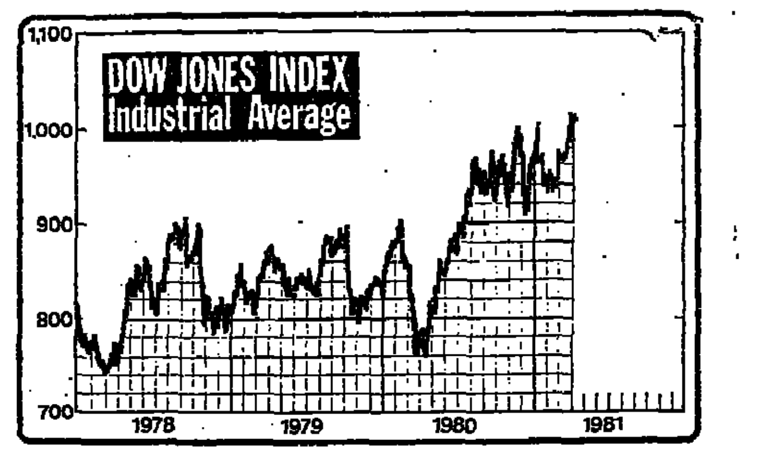
TURNER AND NEWALL (plastics, automotive components and construction group)—Results for year to end-December, 1980 reported on March 12, 1981. Shareholders' funds £317.1m (£230.8m); bank balances and short-term deposits *£24.9m (£12.5m): debtors* £122.7m (£133.4m). Historical pre-tax profits of £6.4m (£27.5m) become a loss of £17.8m (£1.5m profit) on a CCA basis. Meeting, Manchester, April 23, at noon.

WINTERBOTTOM ENERGY TRUST—Net asset value per ordinary share at close of business on March 27 was 383p after deduction of prior charges at par and 395p after deduction of prior charges at market value.

The reality above the background noises . . .

If the shooting attempt on *President Reagan risked triggering* a sell-off on the catastrophic scale that greeted news of the assassination of President Kennedy, *we never got to see it.* The Stock Exchange authorities called an abrupt halt to trading on Monday afternoon as news of the wounding flickered across the electronic newsboards, and when trading resumed at 10 am the next day, stocks surged ahead on relief that Mr. Reagan seemed to have escaped with minimal injury. The Dow gained more than 20 points in two days.

But it *then wavered again*—tantalisingly close to setting a new eight-year high as investors paused to take stock of the situation. A sudden rebound in interest rates, which caught much of Wall Street offguard, did not help, and the Polish crisis added to the unpleasant background noise.



Wall Street has a lot riding on Mr. Reagan's economic programme. Some people even *view it as make-or-break chance* for the U.S.'s long-suffering financial markets. With any luck, the shooting may even have bolstered political support for the President and enhanced the Budget's chances of passing through Congress little changed.

But even if John Hinckley *had not been lurking outside* the Washington Hilton that wet afternoon there would have been plenty to keep their market busy. The aftershocks of last month's massive takeover wave are still sending tremours through Wall Street and hogging the limelight.

The most dramatic development was the arrival of a White Knight to rescue St. Joe Minerals from the claws of Seagram, *which had made an un*welcome $2bn bid for it. Fluor, the large and fast-growing Californian process engineering company, upped the ante to $2.7bn in a cash and securities deal warmly welcomed by St. Joe. This was good news for St. Joe stock which jumped another $3 to $55½ (the Fluor bid is worth $60).

But the market was less thrilled about the implications for Fluor whose shares sagged 4½ to 45. The market is plainly worried about the financing of the deal which could strain Fluor's resources and dilute earnings per share because of the exchange of securities involved. The merger would mark a major strategic step for Fluor which *has* scarcely touched the raw material business before but professes to be deeply interested in it. St. Joe seems to be happy with the guarantees of independence it has been given.

The market was less exctied by Engelhard Minerals and Chemical's plans to split into two bits, Philip Brothers (its metals marketing and trading

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DAVID LASCELLES

arm) and Engelhard Corp., grouping its industrial business. *The rationale is that Engelhard* is expanding fast into two totally unrelated business lines, making strategic planning difficult—a bit like a man doing the involuntary splits. But investors were unhappy baout the proposed issue of a new Philipps share plus 0.4 of a new Engelhard Corp. share for each present Engelhard share. Engelhard was down more than 5 to 46.

Another deal that was picked up off the floo rwas the $700m offer by Marvin Davis, the Colorado oil millionaire, for Twentieth Century Fox. After dropping the deal amid complyaints that he did not like being pushed around, he agreed to have another go after some problems involving the treatment of convertible debentures had been sorted out. Directors of Fox, who have been plagued by takeover rumours and messed up deals for a long time, must be praying that this one does finally go through.

A high flyer was American Can, the *large* packaging company, which has come to the conclusion that it wants to get out of the forest products business *and concentrate on service* industries. It announced a new strategic plan that involves the sell-off of large tracts of woodland, pulp operations and consumer paper products. The proceeds will be used to make an unspecified acquisition, and possibly even to buy back *shares. The market* was pleased —American Can's shares rose 4⅜ to 43⅞.

R. J. Reynolds Industries, the country's largest tobacco company, hit the headlines with news that it is seeking some kind of business combination with Rothman's International. *Reynolds gained a dollar to 46,* paralleling the rise in Rothmans prices in London. Nobody is quite sure what the two cigarette giants have in mind, but even if it is only a loose business combination, it would mark a major realignment of the world cigarette business and pose a challenge to market leader, BATs.

Monday	992.16	− 2.62
Tuesday	1003.87	+11.71
Wednesday	1014.14	+18.27
Thursday	1009.01	− 5.13

Pointers to the way ahead in gold

NOBODY seems to have had much time this year for gold, in the investment sense that is. Heads have been solemnly shaken during its fall from $600 per oz in early January to just under $460 in early March. And the accompanying frowns have not lifted during its subsequent improvement to over $500.

After all, it was argued, the rally was partly in line with the reduction in interest rates which was not entirely trusted and partly because of the political tension in Poland. When *the threatened strike in Poland* was put off and the assassination attempt on President Reagan failed, many observers thought that the removal of these political tensions would send the gold price slumping down again. But this didn't happen.

Political events may distort the trend of gold prices, but they are not the major factor. More important are the longer-term *considerations of supply* and demand which are closely related to economic circumstances and, to put it simply, *how much faith exists in paper* money.

This week one or two observers have been taking a rather more favourable view of gold, but they are still very cautious. Reviewing the current supply-demand outlook the London merchant bank, Samuel Montagu, has gone no further than to anticipate "a more positive price tendency developing later in the year."

Mr. J. Ogilvy Thompson, chairman of **Anglo American Gold Investment** (Amgold) has also kept his options open, saying: "I believe that overall demand will be sufficient to ensure a reasonable price for gold in the forthcoming year, but the present climate dictates a cautious *approach* in the *light* of further weakness that could still occur."

Dr. W. J. de Villiers, chair*man of **General Mining Union** **Corporation*** (Gencor) has repeated his company's forecast of a 1981 price range of $450 to $600, while chairmen of Anglo's gold mines have estimated that the gold market will stabilise this year and that in the longer-term supply-*demand fundamentals will* ensure that the trend will remain upward.

In fact, all the spokesmen seem optimistic about the longer term and they stress the likelihood of a fall in gold supplies to the market this year. They also expect a recovery this *year in the important jewellery* and industrial offtake and in monetary and investment purchases. So with supply and demand likely to be at least in balance it may be time for the head-shaking to stop.

But we are not out of the wood yet. Gold shareholders must steel themselves to face some sharply lower profits in *the March quarterly reports* which will begin to appear with those of the **Consolidated Gold Fields** group on Wednesday. The latest figures will be based on an average gold price of just over $500 compared with $637 in the previous three months.

By the same token reduced dividends are in store for this year unless there is to be any sharp rise in the bullion price, which seems unlikely. However the current yield basis of over 20 per cent on leading mines makes some allowance for this.

Amgold, incidentally, retained a larger *than usual proportion* of last year's earnings in the

MINING

KENNETH MARSTON

hope of minimising the effects on its 1981 dividend of lower gold prices. Gencor regards its still buoyant industrial interests as a bulwark against gold price fluctuations and looks for "reasonable" profit growth in 1981 after last year's 76 per cent advance in earnings to R270m (£150m).

Meanwhile, the South African gold mining industry, which last year raised its total revenue by 80 per cent to a record R10.2bn (£5.7bn) is busily sinking as many new shafts as it did in the 1950s during the opening up of the Orange Free State goldfield, but this activity is still not expected to lead to any significant increase in gold supplies because of the lower gold content of the ore that is now being mined.

The main difference between now *and the 1950s is that a* shaft costs more than a complete mine did then. The big new shaft and ancillary works at **Western Deep**, for example, will cost some R715m, while **Elandsrand** has announced this week that it is to raise R120m by a rights issue — the terms have yet to be decided—largely for the purpose of a sub-vertical shaft which should boost the mine's below-schedule production.

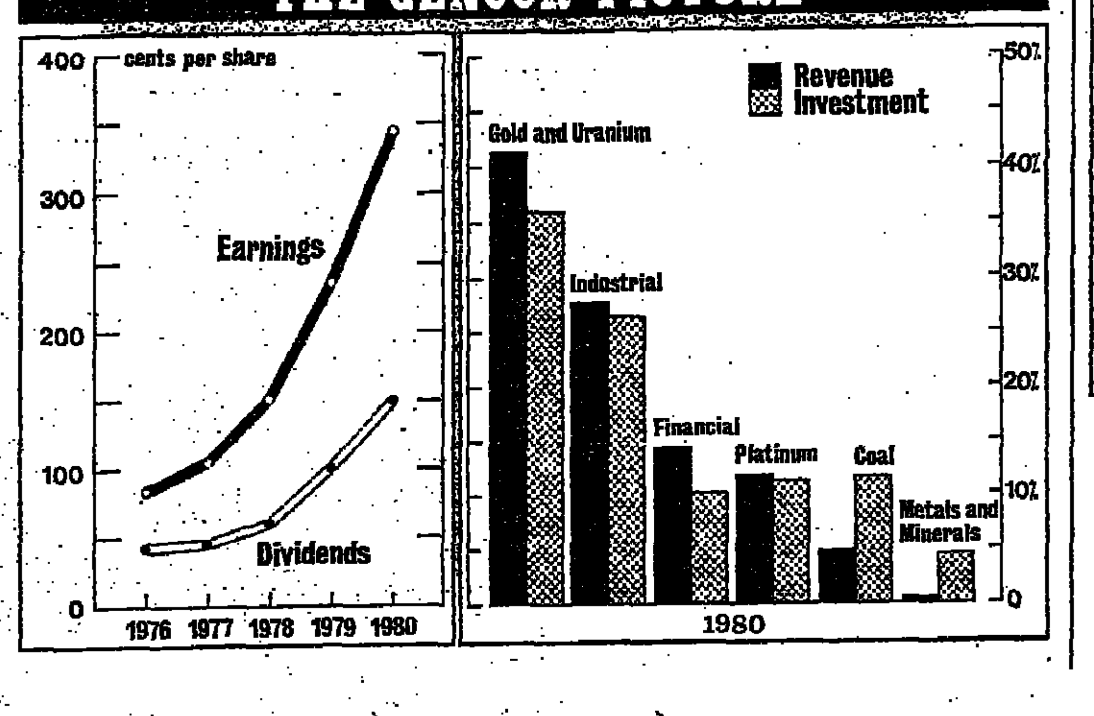
Finally, let us not forget the producers of base metals which this column has long main*tained are heading* for an era of high prosperity in the 1980s, possibly starting from next year. This view is underlined in the latest annual report of America's **Amax** natural resources group which is currently the subject of the world's record take-over bid from ***Standard Oil of California*** (Socal).

"Replacing depleted high quality reserves of minerals and *metals,*" *says Amax*, "*is increasingly difficult and costly.*" "At the same time, government estimates indicate that within two decades the supply-demand situation for many non-energy materials will parallel petroleum today."

The Amax strategy is thus, "to put in place now all the resources we prudently can in order to reap greater future benefits." Ironically, at a time when Amax is resisting the advances from Socal, the latter and other oil majors who are offering billions of dollars to buy into the mining industry might well have written these words.

The moral of the story should not be lost on small investors who could do worse than follow the big money.

THE GENCOR PICTURE



FINANCE AND THE FAMILY

House in wife's name

BY OUR LEGAL STAFF

My wife and I own our house in equal shares. Presumably on the decease of one of us, the whole house passes into the *ownership of the other* simply by lodging a Death Certificate with the various Title Deeds (unregistered land), and does not form part of the deceased Testamentary Estate?

I would prefer to make over, now, to my wife my half share *in the house vesting the whole* title in her as sole owner. The home is worth approximately £85,000.

What sort of transfer deed is *required*? Does it attract stamp duty? Is the procedure reversible, if at some later date, we wished to revert to joint ownership, and will this attract stamp duty?

If the conveyance by which you acquired the house expressly states that your interests are "in equal shares' that will have created a tenancy in common in equity, and one half share in the property will form part of the estate of the first to *die*. Thus, while the legal estate will pass to the survivor, the beneficial interest in one half will not, unless it is given by will. *To achieve your object* you would require a deed of declaration of trust by which you would declare that the trustees (you and your wife) should thenceforth *stand* possessed of the trust property (the house) on trust for your wife solely and absolutely. *Stamp duty would* be payable on half the value of the house. The procedure is reversible only if your wife is willing to make a gift back to you: *once you give her your half* share she becomes the absolute owner and can dispose of the property as and when she likes.

Protection of the rent acts

Is it correct that the protection of the Rent Acts for furnished letting apply only to persons in actual residence? That is where an agreement is signed by a father for his daughter, and only the daughter lives there (with a flatmate) then neither the daughter (and any flatmate) has rights under the act, nor the father, as he is not a resident?

What you say is correct, and it applies to unfurnished as well as furnished tenants. The Rent Act 1977 only protects tenants who occupy the property as their residence. However, as long as the contractual tenancy subsists any lawful occupier is safe from eviction, and if the contractual tenant goes into residential occupation before the end of the contractual term he may be protected on the termination of the contractual tenancy.

Private and public way

An inclosure award dated 1815 reads in part as follows: "And we the said commissioners do *also* order and appoint that the said private carriage and drift roads shall forever be supported and kept in repair by and at the expense of the owners and *proprietors for the time being* of the lands and grounds by the said all directed to be divided and alocated and the respective tenants and occupiers thereof in the same proportions that they contribute to the repair of the public roads."

***Could you interpret this* wording into today's language for me, please?**

In recent years in the fens the 40 foot wide grass droves have been ploughed up by farmers, who buy the land on each side, and therefore the public are denied access to them.

It seems that *the ways in question* were awarded as private ways, not as public highways. If so — and you would have to examine the earlier provisions in the 1815 Award to confirm this — the only people who can complain of interference with the ways are the persons entitled to private rights of way over them, not simply members of the public at large. We think that two classes of way are being *described*; private carriage roads and private drift roads. The former relates to use by carriages (now cars) and the latter to use by carts (now vans, possibly lorries); but the word private seems to govern both classes, to the exclusion of public rights.

A sale at an under value

In my divorce settlement I was given a one-sixth interest in the matrimonial home. I had had a Class F Restraint put upon this, which I had been assured would remain in force until after the settlement, which in fact finally took place nine months after the Decree Absolute. Between the absolute and the settlement, my ex-*husband sold off* a strip of the garden, for a consideration, to the tenant (not the Brewery) of the pub next door. The sale was subject to the pending action.

I complained about this and was offered £500 as my sixth share. I maintain that the value is far more than this, but in any case wish to know whether I may have the sale set aside as I may consider buying the property myself and want it intact. What, please, is your opinion?

We doubt if there is sufficient ground to set aside the sale, but you are of course entitled to one-sixth of the purchase price. It is also open to you to claim that the sale was at an undervalue and to seek more than *one-sixth of the price actually* paid if you can establish by independent evidence a higher value than the price which was paid.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Irish and UK tax

I returned to live in England on retirement, in August 1978, after living and working in the Republic of Ireland for 20 years. My Income Tax has recently become quite involved, and I am not satisfied that my local tax Inspector is giving me the correct answers to my problems.

In the first case the tax Authorities in Ireland are being very slow in dealing with my rebates. I have therefore submitted my returns to the local tax office, and asked for *a postponement of payment*, until such time as I receive the bulk of my rebates,—I have made a provisional payment of £5,000 on account. The tax Collector states that as my assessments have been issued, there is nothing he can do to delay payment, and as from January 1 last I am being debited with interest on amounts owing totalling approx. £6,500. In addition my tax liability *is being* assessed on the basis that the Irish and English currencies are of equal value. To highlight my position I sent the local Collector an Irish cheque for £4,202 and I have been debited with £800 underpayment. I should add that the bulk of my income emanates from Ireland.

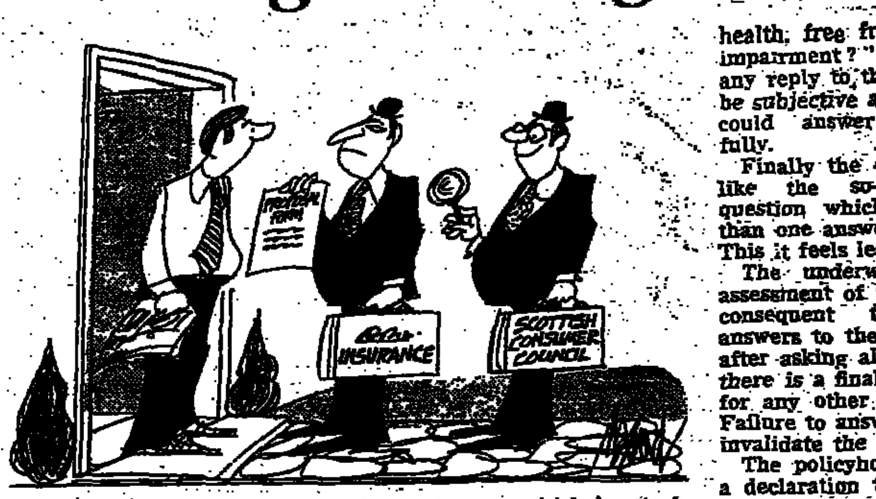
Is there no provision for delayed payment on account of *tax being* already paid in another country on the same income? Do I not have some benefit due to the Irish Punt being about 25 per cent less than £ sterling?

It is a pity you waited so long before seeking our help. As you suspect, it seems that your local tax inspector does not understand the rules. In the *circumstances you have* outlined, you may well find that trying to conduct your own tax affairs in the two countries proves to have been a false economy: perhaps your bank manager could recommend a local firm, with experience in the field of double taxation, who could help you.

You have not given us enough precise details for a really helpful reply, but certainly the answer to question two is yes. You should at once write to your UK tax inspector claiming a reduction in your 1978-79, 1979-80 and provisional 1980-81 asssessments (under *secttion* 33 of the Taxes Management Act 1970, which deals with errors and mistakes in tax returns) to reflect the rate of exchange between the punt and the £ on the days on which each item of income arose, in the period from August 1978 to the present time. We do not recommend you to accept the application of average rates of exchange for each of the three years (if the inspector *should suggest this*), but you may like to know that the average rate for 1979-80 was 1.055 punts to the £.

Your UK assessment for the current year 1980-81 will, of course, be based on the current year's Irish income (converted at the current year's daily exchange rates), under paragraph two of schedule 12 to the Income and Corporation Taxes Act 1970, and so it cannot be finally determined until after April 5. Nevertheless, the tax was due on January 1. As you do not say what types of income you derive from the Republic, we *unfortunately cannot tell you* what relief, if any, is available to you under the Ireland-UK double taxation convention of June 2, 1976 (as amended by the protocol of October 28, 1976).

Away with the gobbledegook



WHEN A *person takes* out an insurance policy with an insurance company he is entering into a contract with that company. The proposal form he completes, then becomes the basis of that contract. Thus it should not be treated like filling in a football coupon. The questions asked and the answers given are of the utmost importance.

The rights of consumers relating to contracts is embodied in the 1977 Unfair Contracts Terms Act. But the insurance industry put up a good case to be exempt from the *provisions*. In place of the Act, the British Insurance Association and the Life Offices Association issued Statements of Practice on the operation of insurance. They set out what is considered good insurance practice, especially relating to insurance proposal forms.

Are these codes which have no legal binding on insurance companies an adequate substitute for the Act? The Scottish Consumer Council has been investigating the workings of the codes in relationship to insurance proposal forms and *its findings were released this week**.

INSURANCE

ERIC SHORT

The basic complaint against proposal forms is that they are complex, ask questions in legal jargon and are badly designed *and laid out. The consumer does* not understand what he is buying, what conditions are being imposed or whether it meets his needs.

The council examined a sample of proposal forms covering life and non-life contracts to see if they had conformed to the recommendations in the codes, and whether they protected the consumer.

Its main findings on this subject were *not very complimentary* to those insurance companies which bothered to send copies of their forms to the council. It concluded that there was some evidence that improvements had been made by some companies.

But *the council found that* there was little sign that companies were going beyond the literal recommendations of the statements and in some cases *certain recommendations* were not being fully complied with.

The first point to be remembered, however, is that the proposal form is the basis of the *contract* and thus has to stand in a court of law. Legal decisions now affect the wording of the proposals and staff of insurance companies have been trained to design forms primarily to satisfy the lawyer rather than the consumers.

So the first necessity is to be able to design proposal forms that are in plain English, but can still stand up in court. General Accident has been a *successful pioneer in producing* plain English policy forms. But the cost in man-hours to produce a motor and household policy has been enormous. Few other *companies are yet prepared to* incur the cost which has to be borne by the policyholder.

In spite of all the protestations of the consumer lobby, the public chose an insurance contract not on whether they can understand it but whether it offers the cheapest premium.

Nevertheless, the council found that many proposal forms *still used technical language*, still asked vague questions and left the onus of providing all necessary information with the consumer.

Life policies still use the phrase "insurable interest" dating back to the first insurance *legislation* enacted in 1774. All companies use the phrase "material facts"—a phrase that only lawyers understand.

One vague *question appeared* on a house insurance proposal—"To the best of your knowledge is there, in the areae of your home, any history of *subsidence?*"

The statements of practice urge insurance companies as far as practicable to avoid asking questions which would *require expert* knowledge beyond the orbit of most policyholders. In this respect the council is not happy with the common life question: "Are *you in good* bodily and mental health, free from any physical impairment?" It feels that any reply to this question must be *subjective* and only a doctor could answer this question fully.

Finally the council does not like the so-called omnibus question which requires more than one answer to a question. This it feels leads to confusion.

The *underwriter* bases *his* assessment of the risk and the consequent terms on the answers to the questions. But after asking all main questions *there* is a final question asking for any other relevant factors. Failure to answer correctly can invalidate the contract.

The policyholder has to sign a declaration that his answers are correct to the best of knowledge and belief. This declaration *should* be displayed prominently in the proposal form. But the report does not find this universal.

The problems facing the insurance companies are twofold. They need to ask sufficient questions to be able to underwrite the risk. Yet they need to keep the size to a reasonable proportion and keep the printing costs down. Companies have been steadily designing *forms to* reduce the number of questions. Much progress has been made, yet still much more remains to be done.

The council calls for a better layout of contracts, more standardisation of questions and clearer printing. But the sensible *recommendations* would carry more weight had it produced a specimen form in the type size and print colouring it considers necessary.

Nevertheless, in this part of the report there is much for insurance companies to examine and act upon. There is much useful advice within *the pages of the report.*

** Forms Without Fuss, Review of Insurance Proposal Forms, Scottish Consumer Council, 4 Somerset Place, Glasgow G3 7JT; price £2.*

Outlook showery for building societies

BUILDING SOCIETIES are *bracing themselves for* a showery April. Fears that net receipts may have fallen from £366m in February to something like £225m last month are *insignificant beside managers'* gloomy predictions for the next few weeks: Competition from Naitonal Savings could soon reach a new peak with storm clouds gathering on all sides.

● Most ominously for the societies, anyone over 50 will be able to buy index-linked securities from next Monday (April 6). By reducing the age limit on "granny bonds" from 60 to 50, the Government for the first time is offering 6.75m people in employment the opportunity to protect a significant part of their savings against inflation. The maximum individual holding is £3,000. These certificates are *automatically revalued in line* with the Retail Prices Index but have to be held for a full year to receive this benefit. At the end of five years a small bonus (a minimum 4 per cent of the original sum invested) is added to the total. The absence of a regular income—a factor which apparently discourages many of the over 60s—is unlikely to worry those still working.

● Next, the limit on National Savings' other index-linked scheme Save As You Earn Third Issue is shortly being raised from £20 to £50 a month. SAYE Third issue is a regular savings plan involving 60 regular monthly contributions over five years—each of these payments is adjusted in line with the RPI between the time of making the payment and *competition of the contract*. Contributions under the new maximum are being accepted this month for contracts which will begin on May 1.

● The Government, meanwhile, has not surprisingly decided to withdraw the successful *19th* issue of National Savings certificates on May 1. These return 10.33 per cent free of all taxes if held for a full five years and have been particularly popular with high rate taxpayers. Their imminent demise means there is bound to be a last minute rush by savers to snap up their entitlement. The maximum individual holding is £5,000. The new 21st issue—the new "granny bonds" are the 20th—will give investors an overall compound return of 9 per cent per annum if held for five years.

● *Finally, the National Savings* Bank Investment Account will no doubt continue to pull in the funds. From May 1 interest paid will drop from 15 to 13 per cent, though the new rate is still significantly more attractive than short term bank and building society deposits. Don't forget that interest on the NSB account is not paid until the first day of the month following investment and is not credited beyond the first of the month in which money is withdrawn. Four weeks notice is also required so careful timing is advisable.

Tim Dickson

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YOUR SAVINGS AND INVESTMENTS

FINANCIAL ADVICE

Where can you find sound investment advice? In the first of a series on the financial experts, **Tim Dickson** looks at the advantages and disadvantages of going to see a stockbroker

A case of trial and error

TO MOST people stockbrokers are synonymous with the buyers and sellers of shares. Away from the hurly burly of the Stock Exchange floor, however, it is not always appreciated that many firms provide all round financial planning for their clients—"even," as some somewhat haughtily concede, "down to those with just a few thousand pounds to their name."

Not all, of course, automatically roll out the red carpet. Ring up, for example, Cazenove and Co., one of the City's leading and most blue-blooded firms and the offer of your business, unless you are exceptionally well heeled, will almost certainly be politely declined. Cazenove deals only with those of substantial means though exactly what this means is not public knowledge—the firm says it would be "embarrassed by a flood of inquiries."

Others fortunately are less choosy. Although not always welcomed with open arms, especially if a free spending fund manager happens to be in town, private clients get a warm reception from many firms these days. By virtue of the sums involved institutional business is obviously more lucrative but the small customer, as some brokers know to their cost, tends to be more loyal when the going gets tough.

Investors should always ask themselves in what way a financial adviser is biased. Since professional intermediaries are almost invariably remunerated for their efforts by commission, there is clearly a strong incentive for all but the superhuman to recommend investments which bring them the greatest rewards.

Stockbrokers, of course, get most of their income from Stock Exchange commission on share deals. Those firms which offer overall "financial planning" argue that this does not impair their judgment if they feel a client is better off taking out life insurance, contributing to a pension plan or even buying krugerrands. Some stockbrokers with insurance broking links, indeed are happy to boast that they readily accept brokerage commission from life companies.

Besides appreciating potential conflicts of interest, investors should also try to get clear in their own minds exactly what their individual requirements are. A good stockbroker will quickly establish your tax position and, probably at the same time, the balance you require between income and capital growth. Only you can decide the sort of risks you are prepared to take.

Comparing the services offered by individual firms is an invidious, not to say impossible task. So much depends on the individual stockbroker involved, the temperament of the client and the ultimate success or otherwise of investment recommendations and advice. Trial and error is often the only way.

There are, on the one hand, big London firms with scores of partners, hundreds of millions of pounds of private clients' money under management and usually more modern and thereby potentially more efficient administrative systems. With one or two exceptions, however, it may not be easy to maintain close personal contact if you live outside the capital and for this reason one of the many provincial brokers may be more suitable.

Brokers without a London office now account for only a very small slice of institutional business so they should be glad to see you. The Stock Exchange on request will provide a list of three or four firms in a given area.

As for the services, some firms have specialist financial planning departments—others simply let the "account executive" deal with this problem. The second approach should be adequate unless you have a complicated tax problem.

Most firms like to have discretion over your portfolio, in other words investment decisions are taken and implemented without your permission. This saves time and eases their administrative worries. Under a certain figure, however (see table), the portfolio is likely to be concentrated in a selection of unit trusts either the firm's in house funds or a range of outside funds. Capel-Cure Myers and Hoare Govett operate a Unit Trust selection service and Unit Trust advisory service respectively.

Reporting will vary from firm to firm but valuations are provided normally once or twice a year. Research material is also supplied sometimes automatically if a note concerns a company in the client's portfolio, otherwise at the broker's discretion.

Finally charges. Most stockbrokers are happy to live off commission which apart from very small deals starts at about 1½ per cent but falls off steadily as the bargain gets bigger. At the other extreme you could expect to pay 0.06 per cent on £1m of Government stock. Overseas deals may well cost more and there may be special charges for minor services.

Basic financial planning advice usually comes free, but do not be afraid to pay if required—the chances are that such advice will be more impartial.

The following is a selection of big London stockbrokers and a selection of the services offered.

FIVE MAJOR STOCKBROKING FIRMS

	Private client funds (£m)	Private client partners	Unit trusts (in house)	*Discretionary* portfolio management from...... (£000)
Quilter Hilton Goodison	700-750	16	5	10-20
Grieveson Grant	530	6	7	40
Hoare Govett	500	5	—*	50
Capel-Cure Myers	400	12	3*	7.5*
Buckmaster & Moore	200	5	3	25

* See text.

Quilter, Hilton, Goodison. Following the merger with Hedderwick, Stirling, Grumbar, this is now the firm with by far the largest private client business. Even the smallest portfolio considered but the firm reckons a spread of 10-20 holdings at a minimum of £700 a piece is required for investment direct in shares. Basic financial planning (tax matters, etc.) supplied free of charge though outsiders can be called in if necessary. Quilters specialises in visits to homes (most areas would get visits once or twice a year) and regional seminars—eight are planned for this year. Private clients who want it get monthly newsletter and recommendations always backed up by research note. Address: Garrard House, Gresham Street, EC2V 7LH.

Grieveson Grant. Keen to get the message across that they do not turn anyone away. Discretionary management below £40,000 will involve unit trusts, though a simplified advisory service for those who want to own stocks and shares direct is available below this figure. Annual valuations. *General* financial planning advice available on insurance, out-house unit trusts, pension arrangements. Qualified insurance broker available in house but Grieveson Grant Financial Services will provide comprehensive financial planning in conjunction with lawyers, accountants, etc. Fee which is time related. Research material sent if relevant to individual portfolio. Address: 59, Gresham Street, EC2P 2DS.

Capel-Cure Myers. Pioneered a new Money Care service in 1979 which brought in £11m of new money in the first year. Although some argue it is little more than a marketing concept for what other brokers do anyway, Money Care is proof of Capel-Cure's commitment to the private client. One special feature is the Unit Trust Selection Service which invests sums above £3,000 in a "portfolio" of unit trusts. The fee is ¾ per cent per annum.

For sums above £7,500 clients can opt for the "personal portfolio" service—in this case investment is made in individual shares but clients are grouped together according to their requirements and their portfolios managed concurrently. A financial services subsidiary takes in tax, insurance etc — charges are only made if a lengthy report is drawn up from which no business results. *Monthly newsletter plus specific* private client research. Address: Bath House, Holborn Viaduct.

Buckmaster and Moore. Likes to get to know the client well before taking control so that discretion is built up over perhaps a two year period. "Experience has shown that investment portfolios are most successfully managed when we are given the authority to make investment decisions at our discretion within an agreed policy," says one of the partners. When it comes to overall financial planning the firm likes to stress liaison with a client's other professional advisers, particularly their accountants and solicitors.

All research material digested and discussed by investment committee within private client department. A small administrative fee is normally charged (roughly 0.2 per cent of portfolio though with an upper limit of £400) once client totally *satisfied with service. Address:* The Stock Exchange, London, EC2.

Hoare Govett. Also claims to help everyone, though do not like running discretionary accounts under £50,000. Overall financial planning offered with the aid of in-house specialist adviser if the problems are complicated. Unit Trust Advisory Service (UTAS) recommends a selection of unit trusts for the smaller client though is not run as one large portfolio of funds.

Although this went through a sticky patch, Hoare Govett report that the results of UTAS have recently been much more encouraging. Research sent to clients at the discretion of the executive who runs the account. Valuations twice a year and on request. Address: Heron House, 319-325 High Holborn, WC1.

School fees if you're going abroad . . .

EXPATRIATES FIND the lure of high tax-free wages irresistible and are prepared, if necessary, to accept inferior conditions to earn these rewards. More often than not, however, they want their children to be educated back in the UK and, of course, they have the resources to meet the costs. This week the School Fees Insurance Agency, a leading school fees planning specialist, launched a new scheme designed to meet the needs of the expatriate who is paying school fees.

Under the scheme, the expatriate pays a lump sum to the Royal Trust Bank (Isle of Man). The trust then buys an annuity from the SFIA Educational Trust to provide fees either now or in the future. The sterling cost of the annuity is the same as under the existing scheme designed primarily for UK residents. The expatriate, however, can make the payment in any currency he desires.

Providing the expatriate remains overseas until the last fees have been paid, SFIA claims there is no tax liability. The SFIA trust is a charity so the annuity payments are free of tax.

With the abolition of exchange controls, one may well ask whether such a scheme is needed. The expatriate can make lump sum remittances direct to the SFIA trust without incurring a tax liability, a point that SFIA freely admits. It has been accepting lump sum payments from expatriates for *years without any* problems. C. Howard and Partners, the other major specialists, also says there are no problems with expatriate payments.

The demand for such a scheme has come from the expatriates themselves and those schools catering for expatriate children. Apparently some expatriates simply do not trust the UK tax authorities. Having gone abroad primarily to enjoy tax free earnings, they are reluctant to remit capital direct to the UK and feel that the revenue will find some means of taxing them.

This offshore scheme removes that fear. The expatriate apparently has confidence that the Revenue will not attempt to take on the Royal Trust Bank since the annuities are in its name and there is no risk of even future UK tax liability. SFIA was under pressure from some schools for such a foolproof scheme and the demand for its booklet* is strong from certain schools.

It is worth considering, in view of sterling's strength, whether now is the time to be remitting money to the UK unless the fees are due immediately. SFIA so far has had requests for immediate fee payments, starting in September, but only one deferred fee payment.

The expatriate, moreover, ought to look at other means of paying fees. There are a variety of offshire investment funds available, some of them suitable to meet school fees. But expert advice is essential.

**Educating the Children, obtainable from the School Fees Insurance Agency, 10, Queen Street, Maidenhead, Berkshire, SL6 1JA.*

Tim Dickson

. . . and a roof over your head when you come back

IF YOU ARE thinking of buying a house but look likely to be sent abroad soon, a visit to the Town and Country Building Society could pay off. It is no exaggeration to say that societies do not generally like expatriates — problems such as vandalism, burst pipes and leaking roofs arise if the home is left empty and despite certain specific protections renting is usually ruled out on the grounds that the law is still hopelessly biased against landlords.

Town and Country, however, a medium-sized society with assets of £320m and over 60 branches dotted around London, East Anglia and the Midlands in particular, claims to have no such hang ups. Without making any extra interest charge beyond its normal rates, the society will quite happily consider applicants who intend going abroad and letting the property in their absence.

The way in which Town and Country ensures that the landlord protects his possession is through what is known as a "Case 11" notice. According to the magazine Resident Abroad, "this is a notice which incorporates a clause stating that the landlord is an owner occupier within the meaning of the Rent Act 1977. It should also state that he or she shall require possession for personal occupation at the end of the tenancy and is entitled to possession under Case 11 of the 15th Schedule of that Act. This notice should be specifically acknowledged by the tenant before or at the same time as the tenancy agreement is signed."

In theory, at any rate, notice to quit can be served at any time. This is not the case with "shorthold" tenancies, a new type of lease allowed under the 1980 Finance Act for fixed periods between one and five years. At the end of this period the tenant is legally bound to leave the premises. Town and Country, however, insist on the "Case 11" method, taking the view that a future Labour Government is almost certain to abolish shortholds.

Obviously, there are conditions. Borrowers have to save for at least two years before they can get a loan and the house has to be occupied by the owner first before he goes abroad. Borrowers also have to state their intention to return. It is no use playing the absentee UK landlord—financed by a UK building society—and then spending your years sipping pink gins in the Singapore cricket club.

Town and Country will not lend more than 75 per cent of the purchase price.

With building societies feeling the pressure from National Savings and some detecting a pick up in interest from house-buyers, it may seem a strange time for Town and Country to be showing such generosity to budding expatriates. T and C, however, says it is meeting mortgage demand at the moment and that those planning to go abroad will be treated in the normal way.

T.D.

A battle with a familiar look

COMMISSION

ERIC SHORT

THE DISCUSSIONS between the Life Offices Association and the British Insurance Brokers Association over commission scales are now closely resembling negotiations between a stubborn employers' federation and a weak but persistent trade union.

The original request from BIBA for higher renumeration followed the time honoured bargaining ritual of pitching their demands very high. These were "higher basic pay" through improved commission scales, the introduction of "productivity payments," known as overriding commission in the insurance broking world, differential payments compared with non-union intermediaries" (that is other intermediaries than brokers), and recognition of the union plus introduction of a closed shop that is no business from tied agents purporting to be brokers.

The LOA reply followed this up by making certain small concessions but refusing to consider the main demands. Commission payments were increased on term assurances. Promises were made on recognition. But no changes were made on the main demands: overriding or differential commission.

Still keeping to ritual, BIBA accepted what was offered but demanded action on the promises and further consideration on the main issues. Last week at the BIBA's annual conference at Harrogate, the LOA gave its final offer. It would introduce some form of differential payment by allowing members to give indemnity terms for registered brokers only.

Under indemnity, the broker gets the full initial commission payment at outset, against the present system where initial commission is spread over the first year in line with premium payments—that is 12 instalments if payment is monthly.

The LOA also offered to tighten up the definition of "tied agencies," which are brokers mainly in business to sell one company's products. Life companies would not give agencies to intermediaries where 90 per cent of their business was placed with one "tied" life company.

But the LOA however, has made it clear that there are strings with this offer. This, it says, ends the present bargaining and negotiations will not be reopened in the foreseeable future, that is within five years. Brokers are in a quandary over this offer. Some doves feel that they will get nothing more from the LOA and a few crumbs are better than nothing.

Others feel they can get further concessions out of the LOA on the main issues. Many life companies are sympathetic and have left the LOA in order to pay more to brokers. The hawks feel it needs just one or two more resignations to make the LOA renegotiate the whole commissions scales.

What is the position of the consumer, who has eventually to foot the bill? He of course, has no direct representation, although both sides profess to have the interests of consumers uppermost in their minds. Indemnity will not cost much and there should be no rise in premiums needed.

The tied agent definition will help the public better to identify the independent intermediary. But any further concessions could lead to higher premium rates.

There are some wry smiles around Lincoln's Inn Fields these days. Equity and Law left the LOA 10 years ago over indemnity, which as a member it was barred from paying. But the divergent now is too great for the company to rejoin the Association at least for the present.

Ten years of Life

NORMALLY, there is nothing out of the ordinary about a 10th birthday. But Hambro Life is making its 10th anniversary something rather special.

Hambro Life and its founder Mark Weinberg have something to celebrate. In that short space of time, Hambro's funds have passed the £1bn level, an achievement that owes more to the marketing than the investment ability of the company. It makes Hambro Life the largest-linked life company in the UK and only a handful of traditional life companies have reached such a size after centuries of operation. Scottish Life, celebrating its centenary this year, has taken 100 years to reach £336m, while this year's other anniversary, Scottish Equitable, needed 150 years to reach £500m.

● On the "man bites dog" principle, Scottish Life is also in the news as a Scottish life company that does not intend to jump on the bandwaggon and launch a unit-linked life operation. Scottish life companies have been falling over themselves to emulate Hambro Life. Standard Life and Scottish Amicable are already in the field with considerable success, though the size of funds is minuscule alongside Hambro Scottish Widows is about to launch its full linked-operations to go alongside its existing equity-linked contract. The Life Association of Scotland has acquired Crescent Life, which markets contract linked to Crescent unit trusts.

But Mr. Bill Morrison, Scottish Life's chief executive, feels that although ultimately his company will enter the linked field, at present there are enough opportunities in the traditional field to absorb the energies of his staff. The company is launching a flexible endowment.

*Ten Years of Unit Linked Assurance—Hambro Life Assurance 1971-1981.

Eric Short

PROPERTY

In the Italian style

BY JUNE FIELD

ON THE flight back from Turin to London last week, the Italian property developers' representative was jubilant over the unexpected 6 per cent devaluation of the lira, even though it was part of an emergency package to avoid *la bancarotta* (bankruptcy), for a country whose financial situation is even worse than our own.

While the increased bank rate from 16.50 per cent to 19 per cent will obviously put up building costs, for those who get in reasonably soon on existing property it means a worthwhile reduction on purchase prices.

Property in Italy has never been promoted to outsiders in anything like the depth of Spain and France, with old farmhouses in Tuscany the main attraction. Now Sansicario, a ski resort about 1½ hours' drive from Turin, on the slopes of the 8,862 feet (2,710m) high Mount Fraitève, near Sestriere, is going to be marketed on an international scale. "The first promotion will be to the British—if they like it others will follow," says Sr. Gri Augusto, of CIMIF, marketing arm of the original stock company, SEFA.

Brainchild of Count Alessandro Persano, from Turin, SEFO's chairman, and backed by the Banco Brignone, the pleasing low-rise complex was started some eight years ago, planned by French mountain-resort architect, M. Laurent Chapis. The 610 apartments already built have all been sold to Italians. There is a flourishing shopping centre, three hotels, plus another one planned, together with several other apartment blocks, helicopter station, and a monorail already under construction. Summer amenities include riding, fishing and golf nearby.

The only snag in the success story this season is that there has been no snow, which means skiers have had to drive along a few kilometres to just over the French border to use their mountains. I am not a skier, but to sample the magnificent views I braved the various lifts—double and single chairs, plus cabin for four, and a ride on a "snow-cat," travelling over slopes that could be either nationality. The food was unmistakeably Italian though, huge four-course meals in a "refuge" high in the snow, which included a special Piedmont version of *polenta*, a kind of maize cooked in butter, interleaved with three types of melted cheese, and topped with an enormous pure pork sausage. Later it was cups of hot *zabaglione* (beaten eggs with Marsala), in front of a roaring log-fire in an old inn in the mountain village of Champlas Seguin, where chickens roam the cobbled streets.

For outright ownership, a one-bedroom apartment in Sansicario with two terraces, including carpeting and kitchen equipment can now be bought for just under £40,000; larger three-bedroom duplexes are expected to be £50,000-plus when finished. Shared ownership, called "Formula Club," is where four owners buy a fully furnished one-bedroom, two-bathroom apartment for about £12,690 each for a total of around 90 days occupation a year in perpetuity. The apartments, well-equipped with everything from a dishwasher to deck-chairs, can sleep six, which could be a trifle cramped, but perhaps one does not notice the lack of space if most of the day has been spent on the mountains.

The novelty of the somewhat complicated formula, which roughly divides into an 18-day winter and spring period, and an 11 and 22-day period in the summer and the rest of the days in the autumn, is that you do not actually choose the time. It is done by lottery, the dates picked out of a hat in front of a Notary.

In this scheme there is an optional seven-year lease-back operation, giving a return of 5.20 per cent net on the first year, said to increase 10 per cent each year. As it is covered by an insurance guarantee, those who took the scheme suffered no loss of investment this season when five per cent of the expected visitors came. With the International Ski Championships planned for March 22-28 next year, the company are ordering a special machine which converts vast quantities of water into artificial snow and sprays it down the *pistes*.

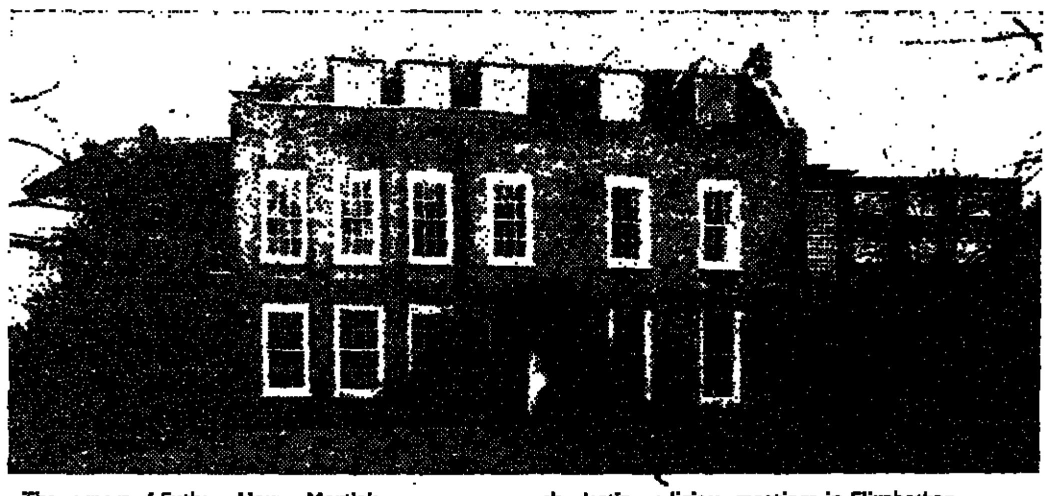
As always when considering buying abroad, it is essential to go and see everything first. Thomson Holidays run package trips and initial sale particulars can be obtained from Lt. Col. Pat Hart, director, Melpond Estate Agency, Park Mansions Arcade, London SW1 (01-584 8378). Serious inquirers can also be put in touch with CIMEF in Genoa who will provide a run-down on the capital structure of the companies involved in the development.

To comply with Italian exchange control regulations, any purchase monies must be paid through a bank, so that there should be no problems repatriating funds when you come to sell.

For general information on overseas property, on Thursday and Friday, 10-8, Saturday 10-4, an International Property Exhibition is at the Cumberland Hotel, Marble Arch, London W1, organised by Homes and Travel Abroad magazine; the April-May issue 65p, includes a free £1 entry voucher.

If you want to make use of their reader's inquiry service, the postal subscription is 80p for one copy, and for nine issues, £6.50 (UK), £8.50 for Europe, with all other countries £11, or £14 by air mail, through Mrs. Judy Rose, Editor, Homes and Travel Abroad, 52, South Molton Street, London W1 (01-499 8311).

Italian ski resort of Sansicario, in the valley of Susa, 1½-hours drive from Turin, where small apartments can be bought between four owners on a 90-day a year occupation in perpetuity formula for around £12,690 each. Larger, outright purchase apartments are just under £40,000. Brochures from Lt. Col. Pat Hart, Melpond Estate Agency, Park Mansions Arcade, London SW1. (Photograph Trevor Kenyon).



The owners of Suthrey House, Mortlake, should be able to watch the finish of the Boat Race today. The gardens go down to the river. The Grade II Listed 6-bedroom, 3-bathroom house, which dates back to about 1600, has a trap door in the living-room which goes down to the cellar, which is thought to have been used for clandestine religious meetings in Elizabethan times. There are large open fireplaces, oak beams and panelling, and some money needs to be spent on improvements. Offers in the region of £180,000 are being invited for the freehold by James Dawes, Jackson-Stops and Staff, 191 New Kings Road, London, SW6 (01-731 2692).

Conversion in South Kensington

FOR ELEGANT living in SW7, go along today 10-1, or tomorrow and weekdays 12-6.30, to Onslow Gardens, South Kensington, between Old Brompton and Fulham Roads.

Here Copartnership Property Developments, an associate of London Mercantile Group, a wholly-owned subsidiary of Rosehaugh Company, have carried out a major reconstruction of four of the tall handsome grey-stuccoed houses into 19 spacious apartments.

The gardens, whose history goes back to the Will in 1682 of one Henry Smith, who left £2,000 to purchase the land for the benefit of captives of Barbary pirates, are said to have been named for Sir Arthur Onslow (1691-1768), Speaker of the House of Commons, through whose efforts the collections of Sir Hans Sloane were bought for the nation to form the British Museum.

Numbers 25, 35, 36 and 37, which date from about 1860, are on the corner opposite a house with a blue plaque "Andrew Bonar Law 1858-1923 Prime Minister lived here."

The new apartments, designed by architects W. R. Siddons and Associates, with building by Wates Special Works (Co-partnership's project director is Mr. Ian Rowberry, former Wates Development director), range in price from £62,500 for one-bedroom, to £160,000 for a four-bedroom, three-bathroom maisonette with a patio, for a 67-year lease, all inclusive of carpeting and kitchen equipment (split-level cooker, refrigerator, extractor hood and waste disposer).

There is gas central heating from independent boilers, the expected audio-visual front entrance door control, and there will be a resident house manager.

The imaginative three-bedroom, two-bathroom show apartment with its own street entrance and patio is £175,000, complete with furnishings and sophisticated Homeworks decor in shades of apricot and sandy beige and brown; or you can order your own interior decor package of special wallcoverings and curtains plus colour charts, from £4,000.

For fact sheets and floor plans of the apartments contact Mr. Michael Duncan, W. A. Ellis, 174 Brompton Road, SW3 (01-589 2425), or joint agents Mr. David Silver, Druce, The Estate Office, 3a Albert Court, Prince Consort Road, SW7 (01-581 3771); and for decor details on a free leaflet, Miss Sarah Clarke, Homeworks, 107a Pimlico Road, SW1 (01-730 9116).

Good undergrowth

BRIDGE

E. P. C. COTTER

TWO DEALS from rubber bridge appealed to me, so I pass them on to you. The first occurred in a knockout contest over five rubbers. We lost the opening rubber, then this model turned up:

N
♠ K J 8 7
♡ 10 7 5 3
♢ 9 7 3
♣ A 6

W
♠ 3 2
♡ Q 9
♢ A 6 5 4 2
♣ J 7 5 3

E
♠ Q 10 9 5
♡ K 6 4 2
♢ J
♣ K 9 4 2

S
♠ A 6 4
♡ A J 8
♢ K Q 10 8
♣ Q 10 8

At love all West dealt, and after three passes I had to take action. I could not bid one no trump, because our no trump is weak in fourth position, so I opened with one diamond. My partner replied with one spade, and I rebid two no trumps. I prefer 17 to 18 points for this rebid after a one-level response, but I felt that my undergrowth was good—two tens and three eights. My partner raised to three no trumps, saying as he put down his hand: "You'll have to work for it."

West led the spade three, dummy's seven was covered by East's nine, and I took with my Ace, at once returning a spade to the two, eight and ten. East sent back the heart two, West won with the Queen, and returned the nine, which ran to my Knave. I played the diamond Queen. West played low, and the Knave dropped on my right. At this stage I knew almost certainly that East had a 4-4-1-4 hand pattern. A second diamond lost to the Ace, and West exited with a third diamond, while East discarded two clubs.

The squeeze and endplay was marked. I cashed the heart Ace, and followed with my last diamond winner, throwing dummy's six of clubs. East was forced to let go the nine of clubs. I crossed to the Ace of clubs, threw East in with the heart ten, and the forced spade return gave me two tricks for my contract.

Sitting East was Mary-Frances Rivers, whose play I greatly admire, and she saw the threatened endplay some five or six tricks before it happened.

The second example is from partie libre:

N
♠ 6
♡ Q 9 8 5 4
♢ 7 5
♣ K J 10 8 2

W
♠ 10 4 3
♡ A 10 7 6
♢ A 6
♣ 7 6 5 3

E
♠ Q 8
♡ K 3
♢ K Q J 10 8 3 2
♣ 9 4

S
♠ A K J 9 7 5 2
♡ J 2
♢ 9 4
♣ A Q

With North-South game, South dealt and bid one spade, North replied with two hearts, a response for which she had not the qualifications, I came in with three diamonds on the East cards, the opener jumped to four spades, and all passed.

My partner led the diamond Ace, following with the six to my ten. To my delight the declarer produced a second diamond, but what was I to return? A club return, if declarer had the Ace would be fatal, and would not necessarily defeat the contract if my partner had the Ace. If West had the heart Ace, we might actually put declarer down.

I led back the King of hearts, prepared to look foolish if South produced the Ace, but my partner signalled approval, so I led my low heart, grateful to see South follow suit and West win with the Ace. There was more to come. West returned another heart, and I ruffed with my spade Queen to uppercut the declarer. He overruffed with the King, but my partner's ten was promoted, and the contract was two down.

South is a compulsive overbidder, but on this occasion he was not the sinner — it was North's two hearts that caused the trouble.

Some golden oldies

CHESS

LEONARD BARDEN

LONGEVITY is a characteristic of chess careers. Just as the great Lasker finished high up in tournaments when in his late sixties, so some of today's grandmasters who made their name in the early 1950s have retained their skills despite advancing years. Reshevsky, many times U.S. champion, has the longest active career of all: a boy prodigy who toured Europe at age 7, he is still playing GM chess in major American tournaments at 70.

The recent Moscow contest between two national USSR teams and picked groups of young and old players was another tribute to high-class experience. The over-50 masters led by Smyslov and Bronstein lost heavily to the youth team 14½-6½ in an early round and looked destined for bottom place. To general surprise they rallied strongly, passed the USSR II team and nearly caught the tiring juniors.

Smyslov, 60 last month, has shown remarkable adaptability in the new breed of international opens played on the Swiss pairing system. The large fields in these events demand a high percentage score to win and thus victory often goes to physically strong players with a sharp tactical style—the very opposite of Smyslov's classical position skills. Yet he has become a pioneer among top Soviet grandmasters in competing successfully in Swisses. In recent months he has played in opens in Denmark, Argentina and Italy and finished at or near the top every time. The organisers of the Lloyds Bank Masters in London this August sent him an invitation and he replied that he hopes to take part subject to agreement of the USSR Chess Federation—good news for the many young British players who compete in this now traditional event.

Bronstein, now 57, has also been showing the elan which in his early career brought him close to the world title. During the Moscow event he won a brilliant King's Gambit from Yusopov of the youth team and remarked that he had been inspired by a book inscription from the late Keres which said simply "Never forget the King's Gambit!"

Bronstein's current tournament is, appropriately, the Keres Memorial in Tallinn where he revived another of his old chess loves—an early B-KN5 against the King's Indian Defence. This week's game follows a typical Bronstein pattern—under pressure after a doubtful opening, he then quite outplays his grandmaster opponent and finishes with an elegant knight-bishop attack.

White: D. Bronstein. Black: E. Gufeld.

King's Indian Defence (Tallinn 1981).

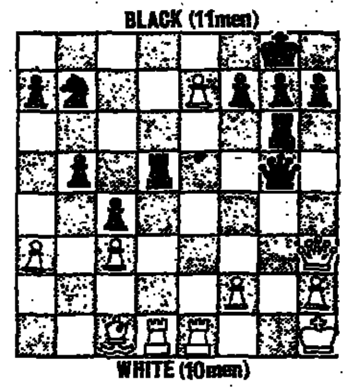
1 N-KB3, P-KN3; 2 P-Q4, N-KB3; 3 B-N5, B-N2; 4 QN-Q2, P-Q3; 5 P-K4, P-KR3; 6 B-R4, P-KN4; 7 B-N3, N-R4; 8 P-B3, P-K3! (a new idea, to bury the bishop by P-KB4-5. To prevent this, White has to displace his knights); 9 N-N3, N-Q2; 10 KN-Q2, NxB; 11 RPxN, P-QR4! (Black takes the initiative. White stops the space-gaining P-QR5, but concedes worse—a weak pawn); 12 P-R4? 0-0; 13 B-Q3, P-KB4; 14 Q-K2, N-B3; 15 P-KB4, NPxP; 16 NPxP, B-Q2; 17 P-K5, N-Q4; 18 P-N3, Q-K1; 19 K-B2, PxP; 20 QPxP, BxRP; 21 RxB (to create some tactical play before Black's extra pawn starts to count), QxR; 22 B-N5, Q-R7; 23 B-Q7, R-R3; 24 R-QN1, N-K2?

The moment when a positional advantage becomes one of material often causes players to mentally lower guard. Simply 24 KR-Q1! should win, for if 25 N-QB1 to win the queen then 25 . . . NxKBP; 26 PxN, Q-Q4 attacks two pieces.

25 Q-B4! (from here on Bronstein really starts to play), P-R5; 26 N-B5, QxQ; 27 NxQ, R-R2, 28 R-Q1, KR-R1; 29 BxP ch K-B1; 30 P-KN4! White's minor pieces are more effective than Black's rooks, and the king's defences soon collapse. 30 . . . P-N4; 31 N-K3, PxP; 32 P-B5, P-N6 ch; 33 K-N2, N-B3; 34 N-Q7 ch, K-K1; 35 P-B6, B-B1; 36 N-KB5, N-Q1; 37 P-B7 ch! NxP; 38 N-B6, mate.

POSITION No. 365

BLACK (11men)

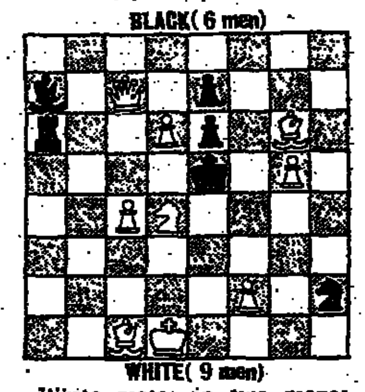


WHITE (10men)

Bonk v. Hess, West German club championship 1980. Black (to move) has to cope with two terrible threats: P-K8=Q mate and BxQ. How (if at all) can he defend and how should the game go?

PROBLEM No. 365

BLACK (6 men)



WHITE (9 men)

White mates in two moves, against any defence (by K. Erlin). Harder than it looks: the obvious try is 1 PxP dis ch, but then 1 . . . R-Q3 and White cannot go 2 N-B6 mate because his knight is pinned.

Solution, Page 14

RESIDENTIAL PROPERTY ALSO APPEARS TODAY ON PAGE 8

MOTORING/TRAVEL

How to keep them down on the farm

BY SYLVIE NICKELS

ON MY SECOND morning at the farm on Prince Edward Island, one of my fellow guests lent me a book called "Westcountrymen in Prince Edward's Isle—a Fragment of the Great Migration." This told me how, during the timber famine brought on by the Napoleonic wars, the men of Devon had turned to the New World for their needs in the early 19th-century.

Thus they came to Prince Edward Island, built ships, loaded them with timber and headed back for Bideford. In due course, one thing leading to another. West Country families emigrated, disillusioned by conditions at home and attracted by glowing reports of the island across the ocean. They must have prospered, for today PEI's telephone directory is full of West Country names. along with those of the French and the Scots who preceded them.

My fellow guest, a farmer called John from Devon, was a mine of information about West Country associations with PEI; indeed it was these that had attracted him to it.

He confessed he'd had doubts as to how on earth he would fill time on his packaged two weeks on the island, but he had reckoned without the phenomenal hospitality of the Canadians in general and the PE Islanders in particular. Once his interests were known he was passed from one family to another in a social whirl that took up every moment of his stay, though I suspect whatever your interests the Islanders would rapidly take you over.

Even then, you need a car here. It is an extremely pretty island, criss-crossed by a labyrinth of rather badly signposted Devon-like lanes in which it is a pleasure to get lost. Rolling arable land is ribbed by green valleys and punctuated by expanses of woodlands, very often backed by a sparkling sea. Mostly the earth is Devon-red, too, but the neat warm-toned wooden homesteads are more reminiscent of Scandinavia.

Llyn Padern and Mount Snowdon, near Llanberis

It's a splendid place for family holidays, for tucked amongst these rural landscapes is a big choice of youth-oriented attractions from enchanted castles and fairyland parks to miniature railways, aquariums and bird sanctuaries. Here, too, is the home of Anne of Green Gables and her author Lucy Maud Montgomery. The bathing beaches are excellent (though be prepared for wind) and there is a surprising choice of ten golf courses. But the Islanders themselves are perhaps the biggest attraction of all.

Like most farms on the island, "ours" was a potato farm. but with some livestock. The McKinnons, our kindly hosts, could take up to twelve visitors in attractively furnished rooms, and went to enormous trouble to ensure their well being. Visitors were encouraged, Walter McKinnon told me, to participate in the farm's activities and the social life of the island whose calendar is crammed with events like strawberry. potato blossom or oyster festivals, lobster carnivals and craft fairs. Seafood, and especially lobster, are major features of PEI gastronomy.

I encouraged our hosts to reminisce, and Jeanette McKinnon remembered the days when she helped in the fields, as well as ran the home and the children, and fed up to 16 people a day during harvest time. People didn't have the same priorities now, she said, not critically, but stating facts. Recently, farmers had been leaving the island at the rate of one a day.

Discover Canada feature a wide range of Canadian farmhouses with 1981 prices ranging from an astonishingly low £5 for b. and b. on PEI to £9.50-£12.50 a day full board almost anywhere else in Canada.

Europe is well provided with similar arrangements. The Danes, as far as I known, were the first to market farm holidays on any scale and offer them at prices ranging from £102 for each of four in the low season to £156 for each of two in the high season. This covers return travel by sea with your car and a week's half board.

The idea has spread to the other Scandinavian countries in varying degrees.

Closer still to home is the Wales Farm Holidays scheme which aims to provide guaranteed quality and a simplified booking service. Sixty working farms have got together to offer a competitive rate of £59.50 per week for half board until the end of September (big reductions for children), any of which can be reserved through a central booking office. The scheme is explained in the Wales Tourist Board's free *Wales Farm Holidays* brochure.

In fact, I found I could get very close to home indeed. Not 15 minutes' drive from my typewriter, Mrs. Anne Corner is one of 17 farmers' wives listed in the Thames and Chilterns Tourist Board's leaflet *Stay On Our Farm* (5p) who invites you to do just that. The Corners run a mixed farm of 400 acres at Somerton in the Cherwell valley in north Oxon. and can accommodate up to eight people in their 400-year-old farmhouse with swimming pool and tennis court on the edge of the Oxfordshire Cotswolds. Mrs. Corner enjoys catering and loves meeting people, she told me, and to judge by the comments from Americans, Australians, Europeans and fellow Britons, her enthusiasm is reciprocated. Bed and breakfast charges are £7 (half-price for children), dinner £5 if required. Farms all over the country are listed in the English Tourist Board's publication *Farmhouses and Bed and Breakfast in England* (£1.45 inc. postage).

Further information: Canadian Govt. Office of Tourism, Canada House, Trafalgar Square, London SW1; Discover Canada 81, 21-23 Princesshay, Exeter, Devon EX1 1NQ; Danish Tourist Board, UK Office, 169-173 Regent St., London W1R 8PY; DFDS Danish Seaways, Mariner House, Pepys St., London EC3N 4BX; Wales Tourist Board, Dept. FF13, PO Box 1, Cardiff CF1 2XN; Thames and Chilterns Tourist Board, 8 Market Place, Abingdon, Oxon. OX14 3UD; English Tourist Board, Department D, 4 Grosvenor Gdns., London SW1W 0DU.

Blue v Blue

BOAT RACE

MICHAEL DONNE

OXFORD go to the stake-boats as the firm favourites for today's annual "Battle of the Blues" on the Tideway between Putney and Mortlake (1 pm). Throughout their training, with five Old Blues in the boat (all winners), Oxford have been consistently impressive, demolishing some of the most fancied crews on the Tideway, including the national heavyweight and lightweight eights and others such ase London University. That they have also attracted considerable publicity because of their petite but tough lady cox, Susan Brown, the first woman to participate in the 152-years history of the race, has not been allowed to detract from their determination to notch up six victories in a row. If Oxford have a problem at all, it may be over-confidence, which can be fatal on the Tideway.

Cambridge, on the other hand, although having six Old Blues in the boat, have the psychological disadvantage of the long run of losses. That they are determined, when the adrenalin starts to flow, there is no doubt, but they have been less impressive than Oxford during training, and in what might to some appear to be a last-minute desperate attempt to improve matters they only recently revised the rowing order of the crew. Old Boat Race hands suggest that Cambridge today is in for another drubbing from the well-drilled machine from Oxford. But on the day there are several other unpredictable factors that can intervene to make nonsense of any forecasts.

Each crew has had its problems in training with equipment, which hopefully skilled boatmen can fix adequately, for a sticking seat or a broken rudder during the race would be catastrophic for the unfortunate crew concerned.

But undoubtedly the biggest hazard of all will be the weather. With so much land-water coming down stream, and so many strong winds, the Tideway has not been a very pleasant place in recent weeks, and if the wind is strong and contrary today it could give both crews a lot of trouble, especially in the notorious Corney Reach the other side of Chiswick Reach. It is often claimed that the race is won or lost by Hammersmith, and that the best tactics, adopted by so many winning crews, are to win the toss, take the Surrey Station and go all out for a good lead round the first Surrey Bend. Whoever leads by Hammersmith is in command of the situation, with the enormous advantage of being able to see the other crew struggling along behind—nothing is worse in a boat race than to be flogging one's heart out without really knowing what progress one is making on the enemy. The other advantage of being ahead is that one can choose one's own moment to make the famous "crossing" from across from the Surrey station to the Middlesex station, so as get the benefit of the long Chiswick bend in one's favour in those last exhausting stages of this battle over just under 4¼ miles of the toughest rowing course in the world. It is the length of the course that tells in the end, for provided it makes no silly mistakes, the best crew is almost certain to win.

RACING

DOMINIC WIGAN

UNLESS DISASTER strikes in a similar way to that which resulted in Foinavon taking advantage of a massive pile-up in the 1967 Grand National. it seems highly probable that today's renewal of the Sun-sponsored race will be won by a chaser who is reasonably well supported.

For although 40 runners are due to take the field at least half can be dismissed as virtual "no hopers" barring exceptional circumstances.

The tremendously long odds offered against the many with virtually nothing in their favour may tempt some seeking value; but judged on the recent history of the National that temptation should be overcome. Since Foinavon's 100-1 triumph only Specify's 28-1 success has remotely pleased all but a small minority of bookmakers.

Today Spartan Missile will be a firm favourite to underline the Cheltenham Gold Cup form and prove that 54-year-old owner-breeder-trainer-jockey, M. John Thorne, was reasonable in not standing down in favour of Francome.

From any angle, Spartan Missile's undeniable prospects (even with overweight) are there for all to see. A particularly sound jumper now proven in the highest grade he not only acts well in all conditions; but has won twice over the National fences.

He is one of the few in whom one could feel confident of the course being completed. Three others whose claims must be considered are Aldaniti, Royal Mail and Royal Exile.

Aldaniti, bidding to give Josh Gifford a training success in a race in which the debacle at the 23rd in 1967 almost certainly cost him victory on Honey End, is another with a touch of class. He recently made a remarkable comeback at Ascot.

However, in his case a completed round is to be hoped for rather than expected in view of long periods of inactivity and the question mark against his soundness. He is a win rather than each-way proposition.

Royal Mail, already the winner of one Grand National—New Zealand's Grand National Hurdle—ran his best race in a long while last time out when second over an inadequate trip at Sandown; while Royal Exile has also been coming to hand at the right time. Last time, Royal Exile made 11 opponents look extremely moderate over three miles at Sandown.

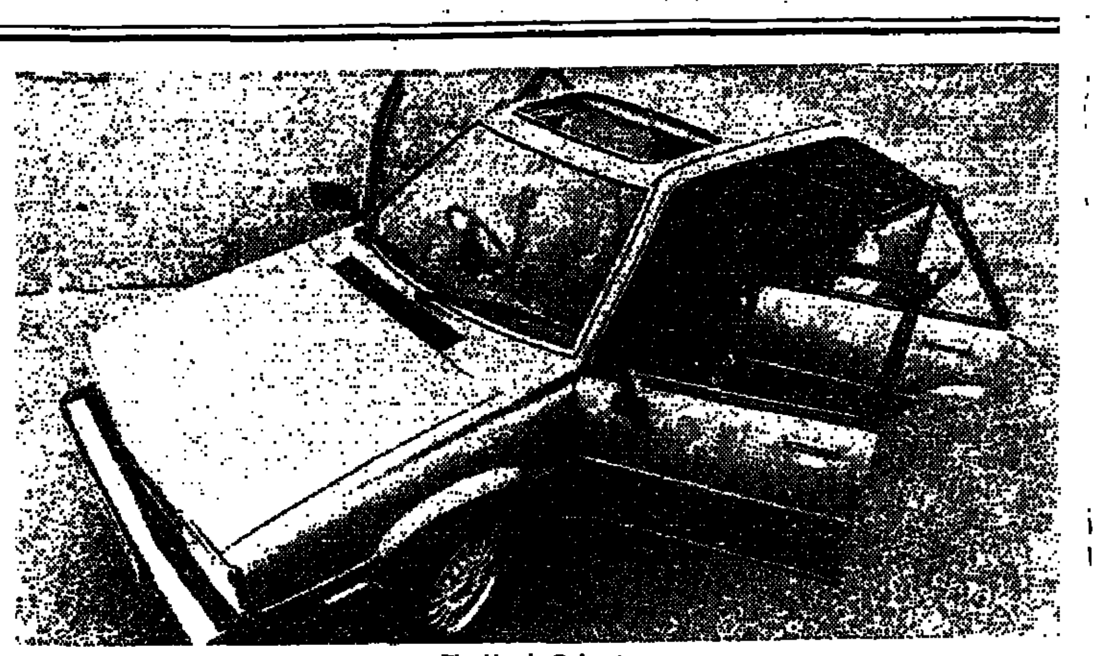
Royal Exile was staying on in a particularly encouraging way there and I hope to see him give Fred Winter a third training success in the race following the triumph of Jay Trump and Anglo.

LIVERPOOL

2.00—Western Rose
2.45—Pollardstown**
3.20—Royal Exile***
5.05—Homeson*

SALISBURY

2.00—Nomadic Pleasure
3.00—Penmarric
4.30—Green Memory



The Honda Quintet

Variations on a theme

BY STUART MARSHALL

CAN THE Volkswagen mini-bus, a pair of BMWs, a Citroën 2500 and the Honda Quintet that passed through my hands in recent weeks possibly be said to have anything in common? Surprisingly, they can, because all were variations on familiar themes.

Take the rear engined VW Transporter. It has been in production for 30 years and has become the world's most successful light commercial vehicle. Now in its latest guise, it has acquired a radiator. instead of a flat-four, air-cooled engine, it has a modified version of the Golf's 1.6 litre, water-cooled diesel laid almost on its side between the back wheels.

The diesel Transporter has the same performance as the 1.6 petrol model but it is nicer to drive because it needs less gear changing and is at least as quiet. It is vastly more economical: 30.7 mpg on urban deliveries compared with the 1.6 petrol van's 18 mpg. For motor caravan enthusiasts who drive long distances it is made to measure. Due in Britain in a few weeks, the diesel Transporter will be about £500 dearer than its petrol equivalent.

For years, citizens of Munich have learned to drive on the BMW 316; it's a favoured car for local driving schools and must have spoiled thousands of pupils for the lesser cars they will own later on.

Although it is still called the 316 (for 3-series, 1.6-litre engine) it now has a 1.8-litre unit. Performance (over 100 mph maximum and 0-6 mph acceleration in a shade over 12 seconds) is decidedly lively. But what I set more store on is the sheer quality of the car. Like all BMWs, it has that rare combination of delicacy and substance. At £5,355 it could be an excellent buy for people who neither need, nor can afford, Jaguar-sized cars any more but don't wish to motor in a Cortina or Ital. Its high fifth gear makes it economical; a gentle driver could see 40 mpg on a long run.

BMW has also broadened the appeal of its 6-series coupés by introducing the 628CSi. This £16,635 occasional four seater looks identical to the £18,950 635CSi, and its leather trim, Recaro front seats and stiffened competition suspension are no-cost options. A five-speed gearbox with overdrive top is standard and gives better than 30 mpg at 70 mph. For most of us, the performance difference between the 140 mph 635CSi and 130 mph 628CSi is irrelevant. It stil cruises silkily at between 100 and 110 mph on the autobahn.

For years Citroën has fought shy of fully automatic transmission on its big cars, though it has made genuflections toward two-pedal control with rather odd systems in which you shift gear yourself but have no clutch pedal.

But now the CX saloon and estate can be had with the German ZF three-speed automatic, which works so well I thought the two-pedal £9,559 CX Pallas Injection I used the other week was the smoothest and most urbane Citroën I had ever driven. The automatic transmission is ideally matched to the 145 horsepower, four-cylinder engine. Acceleration was lively —0-62 mph in 12 seconds—and motorway cruising almost silent. Citroën claim a 115 mph top speed and a consumption of 25.2 mpg at 75 mph.

Finally, the new Honda Quintet. This is a variation on the Accord theme. It is called the Quintet because it is a five-door hatchback whereas the Accord comes as a three-door hatch or four-door notchback saloon.

To drive the Quintet is to realise why the Japanese motor industry has become both the envy and despair of the rest of the world's car makers. It rides, steers, holds the road and even looks like Europe's best cars in the price class. The controls are precise—the rack and pinion steering and gearshift outstandingly so—and the trim is elegantly practical. One looks in vain for any sign of the second-rate in design, manufacture or assembly. If Mercedes ever decided to make a small, modestly priced front-drive car, this is how it would be.

The five-speed Quintet costs £4,990, the automatic £5,285, including such goodies as an electrically operated sunroof.

Apart from being a pleasure, driving the Quintet was in effect a dummy run for the Triumph Acclaim. This joint BL-Honda exercise will make its debut at Motorfair in October. Despite the Triumph badge, it is mechanically a Honda, though BL are to make and trim the body and assemble the car. If it is as good as the Quintet—and there is every reason why it should be—I can see it doing for BL's share of the small/medium quality car market what the Metro has achieved lower down the scale.

TRAVEL

MOTOR CARS

HOTELS

allow to cool a little, then push through a coarse sieve or liquidiser. Return to the pan and re-heat, adjust seasoning with salt and more chilli powder if required. When serving decorate each portion with finely shredded lettuce or chopped parsley.

Having supper the other night with a Persian-Russian friend we were treated to a delicious spinach soup. Needless to say I had seconds and was unable to do justice to what followed.

minutes or until the ve are cooked. Wash the e plunge them into the their shells to hard-bo When they are cooked, finely chop them. To pour the soup into in bowls, pour cream over of each helping, then gen sprinkle hard-boiled egg of the cream.

Who needs anything t such a soup? Served w brown toast it is mo enough

Roman ways

BY RACHEL BILLINGTON

The Pope's Divisions
by Peter Nichols. Faber and Faber. £10.00. 382 pages

This is not a book about the Pope. Although as Peter Nichols admits, he found it very hard to avoid overwhelming reference to such a dominant, charismatic leader. His net is spread much wider, in a daring bid to capture a picture of the whole Catholic Church.

He himself is a baptised but non-aggressive Anglican who happens to be married to a Catholic. He has been The Times' correspondent in Rome for 20 years and it was the paper's year-long shut-down which gave him the opportunity to travel and research for this book. We can be grateful. Not only for the sheer existence of this exciting thought-provoking work but also because it seems fairly certain that his journeying has encouraged him towards a valuable central theme.

Mr. Nichols argues that the Catholic Church, with its history and headquarters set fair and square in Europe (whether East or West is not relevant in this case), is fast becoming the Church of the Third World. By the year 2000 more than 70 per cent of baptised Catholics will come from the Third World, predominately South America. This puts Catholicism in a powerful position in areas crucial to the future of the world. It raises all sorts of questions about the place of politics in the Church and the shifts in the power structure which might be possible or advisable. Is a strong Pope who hardly reacts to the murder of one of his archbishops when saying Mass, in an admittedly remote country (remote from Rome, that is) really as strong as he appears?

Unsurprisingly, Mr. Nichols is at his most confident when dealing with the internal affairs of the Vatican. He throws off inside information, important or trivial. (In Pius XII's reign telephones had long leads so that people could fall on their knees when speaking to him.) But his imagination is obviously caught by the world scene in which Rome by a chance of history (a decaying civilisation grabbing at the force of new religious blood) became the centre. Enormously admiring Pope John Paul II's ability to reach vast masses of people with the Christian message, he nevertheless has an eye for the shortcomings of the system within which he operates.

Secrecy at the Vatican is, of course, no news. The infamous Roman press may have something to do with its back-to-the-wall attitude and Mr. Nichols points out that Father Agnellus Andrew who ran so successfully the centre for training prelates in the art of communicating through the modern mediums of radio and television at Hatch End has recently joined the Vatican staff as a bishop in charge of Press relations. Change may be on the way.

Mr. Nichols makes a good case for the finances of the Church being made public, particularly when the money has actually come from the pockets of the faithful. More important is the kind of secrecy—easily confused with burying the head in the sand—which will not face up to areas of doubt which concerns many Catholics but about which the Church does not want debate.

This leads us into the human problems of birth control, abortion, remarriage after divorce, marriage within the clergy and the question of women priests. In these areas the Pope and the Vatican see no reason for discussion. Birth control, apart from the rhythm method, is wrong. So is abortion. Divorce is wrong, though, like birth control, it has a potential for confusion with the existence of annulments. But of course there is a great deal of discussion within many Catholic societies. Not only discussion but action. This leads to the dangerous possibility of Rome becoming separated from some of its flock. Worse still, is the undesirable truth that while the rich, educated Western Catholics may find compromises with their consciences which allow them to live by a perfect standard of behaviour without even attempting to reach it, the vast uneducated masses of the Third World are unlikely to reach the same relatively comfortable position. This leads to one rule for the rich and another rule for the poor. No way for a democratic religion.

Of course there is no easy answer. Every person, Catholic or otherwise is in part a product of a society in which they live. A middle-class mother of four living in Kensington is hardly likely to react like a peasant in El Salvador. She does not easily understand the virtue of unquestioning obedience. In a chapter entitled "Wives and Sister" Mr. Nichols examines rather critically the Church's dealing with matters of concern to women. Feminism, he concludes, has not yet breached the Vatican. He follows this with a chapter called "The Failure with Sex."

It seems to many Westerners that the Church is no longer a rock but has a rock at its head. Yet, if the future for Roman Catholicism really lies with the Third World, if the West is really on the way out, then this may not be such a contradiction as it seems. A young poor world has little time for the niceties of freedom. The difficulty with such a wide-ranging statement is that it doesn't take into account the individual.

The Catholic Church, with its extraordinary Pope at its head, has never been more successful in putting across its spiritual message. Eighteen per cent of the world's population is Catholic. In a so-called material age, this is an awe-inspiring achievement. Those who wish to know more should read The Pope's Divisions.

Pope John Paul II on his home ground among the faithful. A new book, reviewed here, examines the role of the Roman Catholic Church in the world today

Fiction

Beautiful bodies story

BY MARTIN SEYMOUR-SMITH

Dangler
by Charles Gaines. Chatto and Windus. £6.95. 288 pages

The Man from the Other Shore
by Michael Edwardes. Hamish Hamilton. £6.95. 186 pages

Echo
by Kenneth Jupp. André Deutsch. £6.50. 231 pages

When Your Lover Leaves You
by Susan Trott. Gollancz. £7.95. 215 pages

Dear Fred
by K. M. Peyton. Bodley Head. £4.95. 233 pages

Charles Gaines is an American novelist—his first novel, Stay Hungry, appeared in 1973—who is famous for his enthusiasm for body-building: quite soon a book will be published by him on this subject, with the clever title of Staying Hard. Meanwhile we have a very unusual novel in Dangler, which is genuinely comic, entertaining, and exciting from first to last—and fundamentally serious. Quite possibly the author is examining, in imaginative terms, the consequences of his own enthusiasms if allowed to run wild. This is a time-honoured process, and it has been fruitful.

Kenneth Dangler is not a body-builder, but he is overflowing with energy and enthusiasm for his own fine physique and for the enjoyment he gets from exercising it. He founds a sporting centre in New Hampshire where his rich clients can play at danger—the adventures are staged, but skilfully so. He wants to recapture the spirit of the first Americans and, with his charismatic personality, he seems to be getting somewhere.

But things get out of hand. He finds that he cannot control his own exuberance: adventure, and so real danger, take over. He has to face the forces he has unleashed. Here the book abandons satire, and becomes a vivid account of people trying to survive. In this excellent final passage it gains its meaning and seriousness.

The accounts of the sports centre are wonderfully funny, and all the prose is sharp and incisive. But what is unusual is the lucid conviction of the physical action, here much more meaningful than in a regular adventure novel — more like that of a good non-fiction record of a climb or dangerous voyage. It is a novel which leaves us thoughtful and surprised: we don't often experience such amusement in what proves to be so serious a context.

The Man from the Other Shore is a "faction": in this case an extravaganza based in a witty but alarming context of facts about the latter part of the last century and the earlier part of this. The protagonist is the engaging Zedzed, who begins as doorkeeper of a Turkish brothel and ends as everything we like to vilify: arms dealer, Press baron, briber of politicians, warmonger. The author's ironic viewpoint is that everyone else would have done what he did, "had they thought of it." I will not give away the splendid ending — but it will bring the reader up with a jerk by its sudden and unanswerable assertion. At least Michael Edwardes' Zedzed is highly amusing, and never more so than when he is confronting other well-known rogues from history itself. But he is a fiction. This is a cruel faction, full of zest and gusto, but ultimately a sad tale. The author knows his history — and his cultural history—very well; his cynicism bites.

Echo, from America, is a superior thriller based on a cliché situation. Widower millionaire's daughter, a wild girl, is beaten and raped. Father goes out for full revenge. Enter pop superstar Steve Rice, who does not know why he is to be used to restore the girl's sanity. . . . We have read this before. But Kenneth Jupp's spare prose and his use of the myth of Narcissus — which is, unusually, unpretentious and illuminating — are successful, and transform this into a convincing and sinister study of bestial violence and its consequences. This could only come from America — and it is some tribute to the author that we feel somewhat relieved that this is so.

When Your Lover Leaves is the second novel of Susan Trott, who is also American. It is the unusual and charming story of a woman who is deserted by her lover—he returns to his wife—and who becomes increasingly upset by reports of a rapist who is plaguing her neighbourhood. She thinks she might know him: but her friends think she is breaking down.

I called this charming not because of the plot—which has its ugly side—but because of the personality of the woman, Ronda Thompson, who is very well presented as being crazily sane, and as being far too good for most men. Many readers may feel, initially, that Susan Trott's writing is too whimsical. This reserve, I can assure them, wears off: it is witty, irreverent, and more serious than is apparent.

Dear Fred is what can only be described as a horse novel set in the 1880s. It is built round the life of the brilliant jockey, Fred Archer, who died young, a suicide. I am not sure, with horse novels, whether one has to like horses—or only to be in awe of those people who love them. This one, though full of high emotion and hearts that "turn over," has its moments. More convincing than kisses behind the stable door is the well-sketched background to racing in the late nineteenth century. But many readers will enjoy both and no one will begrudge them.

Thrillers and chillers

BY WILLIAM WEAVER

A Living Dog by Peter Somerville-Large. Gollancz. £5.95, 204 pages

James Drury, feckless, impoverished scion of an Anglo-Irish family, teaches in a snobbish boys' school and dreams of future wealth (he has expectations, in the form of a rich, eccentric but healthy old aunt). His successful, unscrupulous friend Michael affords a living example of what money can buy. Drury's poverty, the dreariness of his home life, his generally ghastly situation inevitably lead to crime. In telling the story, Somerville-Large seizes the opportunity to describe an Ireland that the Bord Failte leaves out of its brochures: a sordid world of nouveaux riches, climbers, opportunists, freaks. It is all done with Huxl[illegible] keen[illegible] end. [illegible] of i[illegible] expe[illegible] keep[illegible] lian[illegible] min[illegible] enjo[illegible]

W[illegible] created Balaclava Agricultural College she made a major contribution to the entertainment of nations (though the American academic community may not agree). Professor Peter Shandy and his new wife Helen—they met in MacLeod's last—are living proof that middle-aged lovers need not be ridiculous; and what's more, they are splendid to have on hand when murder crops up, as it tends to do at dear old Balaclava. This time, Shandy indulges perhaps in too much "what if" ratiocination at the outset of his detections, and very occasionally the flow of wit may seem forced; but The Luck Runs Out is inventive and enjoyable and human, and the author's admirers will be grateful for the addition of Iduna Bjorklund—a magnificent creation—to the campus cast.

[illegible] of [illegible] scrupulous developer; a disputed claimant to a large inheritance, as well as the expectable amount of adultery and naughtiness. Detective-Inspector Sloan sorts it all out, with admirable aplomb and modesty. This is Catherine Aird in a more discursive, reflective mood than usual, and a delightful mood it is. The process of detection is punctuated by wry apercus and pungent dicta. In the great village tradition.

RESIDENTIAL PROPERTY
ALSO APPEARS TODAY ON PAGE 8

Scarlet Night by Dorothy Salisbury Davis. Gollancz. £5.95, 244 pages

Dorothy Salisbury Davis has invented a New York all her own, which she introduced in her excellent A Death in the Life. Now that book's elfin, engaging protagonist, Julie Hayes, appears again in the same somewhat unreal, yet persuasive metropolis. In Davis's city, people talk to one another; coincidences do not seem strange; there is a small-town atmosphere. Even an all-powerful mafioso seems a duck (largely because of Julie's irresistible influence). Anyway, this is a sweet tale in which nobody is murdered, though there are plenty of chases, lots of suspense, a well-assorted cast, and an admirable style.

Pull of gravity

BY PETER QUENNELL

Never at Rest: A biography of Isaac Newton
by Richard S. Westfall. Cambridge University Press. £25.00. 908 pages

When, in the early summer of 1727, Voltaire paid his momentous visit to England, having recently been thrashed by the Chevalier de Rohan's servants and thrown into the Bastille, French anglomania was at its height; and he was enchanted with everything he saw—the grace of young English horsewomen, the solid dignity of London merchants, and the respect shown, even by prelates and peers, to distinguished scientists and writers. During his stay he must certainly have noticed how, at the funeral of Sir Isaac Newton, the Lord Chancellor, a brace of dukes, and three earls had escorted his coffin to its tomb in Westminster Abbey, where it occupied an especially privileged place near the centre of the nave.

In 1731 a further tribute would be accorded to the immortal author of Principia. A splendid monument designed by William Kent (which Newton's latest biographer calls "a baroque monstrosity") was erected beneath one of the arches of the choir-screen. Here Astronomy, seated on the terrestial globe, looks down weeping at her great disciple, who reclines in classic robes, attended by two solicitous putti, the elbow of his right arm supported on a pile of books. A bold inscription — Let Mortals rejoice that there has existed such and so great an Ornament to the Human Race —underlines the sculptor's message.

Newton's position seems as secure with 20th century as it did in Voltaire's lifetime. Einstein, 50 years ago, asked to produce a preface for a new edition of the Opticks, wrote that he had had an all-embracing intellect, and had combined the experimenter, the theorist, the mechanic, and, not least, the artist; while Lord Keynes, who possessed a huge collection of Newtonian manuscripts, declared that he had also a mystical turn, and that "his deepest instincts were 'occult, esoteric, semantic'." According to Keynes, he regarded the whole universe as a huge divine puzzle, strewn with certain secret clues that the Creator—Newton was a firm Deist—had benevolently scattered.

There is no doubt that Newton's highest object was not merely to increase the sum of contemporary scientific knowledge, but to co-ordinate his discoveries in an enormous general scheme of thought. "I now demonstrate," he announced in Book III of Principia, "the frame of the System of the World;" and, although in many respects he had an extraordinarily modern outlook, for long periods he was deeply concerned with alchemy and similar mysterious pseudo-sciences, through which he sought the additional clues he needed.

His masterpiece, Philosophiae Naturalis Principia Mathematica, with the imprimatur of Samuel Pepys, then President of the Royal Society, printed large across the title-page, appeared in 1687. It was "a hard book," as Newton frankly admitted; and he introduced Book III by advising even his mathematical readers not to study "every proposition" of Books I and II. "It is enough if one reads carefully the definitions, the laws of motion, and the first three sections of the first book. One may then pass on to the System of the World." At the same time, he hinted to a friend that he had deliberately made the Principia hard-going, "to avoid being bated by little smatterers in mathematics."

Professor Westfall's massive biography of Newton, a learned and well-documented monograph, is itself no easy book to read; for it contains numerous passages and a host of complex diagrams that "smatterers" and non-mathematical readers alike may often find it difficult to follow, except perhaps in very broad outline, as the author describes Newton's development of the Calculus, his revolutionary contributions to the science of optics and his study of celestial dynamics that produced the law of universal gravitation.

Simultaneously, however, from Professor Westfall's text there emerges the absorbing picture of a man of genius. Newton, the offspring of a moderately prosperous Lincolnshire farmer, entered the world on Christmas Day, 1642, with extremely poor equipment:

> He had been told [he informed a relation] that when he was born he was so little that they could put him into a quart pot & so weakly that he was forced to have a bolster all round his neck to keep it on his shoulders & so little likely to live that when two women were sent to Lady Pakenham at North Witham for something for him they sate down on a stile by the way and said there was no occasion for making haste for they were sure the child would be dead before they could get back.

Yet he survived, and grew up during the next few years to become "a sober, silent, thinking lad," who delighted in manufacturing ingenious models — a miniature windmill, a water-wheel, a tread-mill run by a mouse, and a four-wheeled cart, propelled by a crank "which he turned as he sat in it." To please a girl and her companions, he produced a set of dolls' furniture; and Professor Westfall believes that "something of a romance" may possibly have sprung between himself and the recipient—"the first and last romantic connection with a woman in his life."

At the age of 20, once he had gone up to Cambridge, Newton would appear to have suffered a short but sharp religious crisis, and would occasionally brood about his sins—"having uncleane thoughts," "making pies on Sunday night," and "squirting water on Thy day." Otherwise, the course of his adult life was enviably calm and regular, governed by the insatiable appetite for knowledge that remained his ruling passion. A born ascetic, he seldom left his rooms, ate and drank sparingly, needed no worldly amusements, and was "never seen to laugh but once." Yet he cannot have been forbiddingly austere. "When invited to a treat (we learn) which was very seldom, he used to return it very handsomely, and with much satisfaction to himself."

Kneller's fine portrait shows us a noble head, a lofty brow, a commanding hooked nose and a pair of wonderfully brilliant eyes, that reveal both his powers of observation and his gift of imaginative insight—"he could sometimes see," declared a fellow scientist, "almost by Intuition, even without Demonstration"—and reflect the natural pride of a spirited and energetic man who is fully conscious of his own value. Not that he was a vain or self-satisfied character; and, at the end of his life, he would liken his experiences to those of a boy beside the sea, now and then picking up a pretty shell or smooth pebble, "while the great ocean of truth lay all undiscovered before me."

But, if he admitted his limitations, he also understood his strength; he knew that he had a superbly efficient intellect, and what a well-trained human mind could do. Asked how he had arrived at the law of gravitation, "by thinking on it continually," he answered. It was sheer pertinacity of thought, rather than a sudden flash of genius, that had directed him towards his goal.

Inside Israel

BY WILLIAM D. SHOLTO

Israel Observed: An Anatomy of the State
by William Frankel. Thames and Hudson. £7.95, 288 pages

Belonging
by James McNeish. Collins. £5.95, 191 pages

It is amazing how little is known in the West about Israel. For the public and media alike, it seems to have been relegated to a mere trouble-spot. The virtue of these two books is that both—in entirely different ways—present Israel as a distinct social and political entity with a peculiar destiny facing unique problems. More Middle East experts in the media should absorb books like these before pontificating about solutions to the region's tensions.

William Frankel uses a technique similar to John Gunther's "inside" books or the "anatomy" books of Anthony Sampson, who advised him. The fabric of Israel's political and legal system is perceptively scrutinised, along with germane topics like the civil service, the political mavericks, religion, the arts, social services, the economy, the army and of course communications.

Frankel is objective enough to be critical while exercising good judgment. He defines the attitude of civil servants as, "either the disdainful unconcern of the Middle Eastern official or the inflated self-importance of the East European bureaucrat." Vignettes of public figures and anecdotes about them make the book entertaining reading.

Being a barrister, and having been editor of the Jewish Chronicle for 10 years, Frankel brings special zest to those chapters on the law and on clericalism in Israel.

Yet having lived in Israel continuously for five years, I couldn't escape the feeling that a political handbook about any country written by an outsider—even if he is well-informed—is a hazardous undertaking. The section on the Israeli Press rightly notes that Mr. Gershom Schocken's daily paper "Ha'aretz" played a major part in bringing down the Labour government of Yitzhak Rabin in 1977 by revealing the existence of his wife's illegal bank account in the U.S. But some Israeli journalists might dispute the claim that, "'Ha'aretz' has always been enlightened in its handling of journalistic staff."

Nor is Frankel's coverage judiciously comprehensive; non-Jews get only eight of the 288 pages, although they account for about one-seventh of the population.

Finally, Israel Observed is tethered to a period. It deals primarily with the changes consequent on the 1977 election of the Likud Government; it now seems probable that Mr. Begin's party will be back in opposition come summer.

Another outsider — James McNeish—prudently wrote very little of his book, except an introduction. Instead, he asked 15 exceptional yet typical Israelis to say, in simple terms, why they had made the country their home. None are politicians and most are unknown outside Israel. Yet their various stories make a powerful impact, and explain just why Israel is a miraculous nation.

For example, Erika Lewin describes in 24 pages how she was arrested by Stalin's troops in 1940 (inevitably because her father was a Communist in pre-war Romania), was deported to Siberia and kept there for 22 years before being allowed to leave for Israel. That account alone reads like an abridged version of Dr. Zhivago.

Ada Sereni, whose husband was murdered by the Nazis in a concentration camp, writes:

> "Although I have been here 50 years, it is still true that, just as in Italy I was a Jew, here I am an Italian . . . to me Israel is an immense wonder . . . And I think that when other countries try to weaken Israel, they are toying with their own destruction. You always hear about the six million Jews killed in the concentration camps, but another six million non-Jews were also killed in the concentration camps . . . When Jews are attacked, it is always a sign that something is wrong in society. We are on the front line, we are the first targets, but after us come the others."

On the Arab-Jewish conflict, few comments could rival that of Miss Oula el-Aziz, an Israeli Arab, who writes: "The Israeli Jews don't accept us and the Jerusalem Arabs don't accept us. We're caught between the two." And she asks simply: "So should this be one country or two?" Her answer in 11 words: "My feeling is one country for two peoples, Arabs and Jews."

Personally, I would trade all the Middle East experts of Fleet Street for the common sense of Miss el-Aziz.

In short—Boats and bricks

The Beken File
by Keith Beken. Channel Press, £8.95, 190 pages

The Beken studio—in the yachtsman's Mecca, Cowes, Isle of Wight—has been steadily photographing every kind of boat throughout this century, not only the eternally beautiful great yachts but also passenger liners, warships and the sleekest of racing powerboats.

The studio's collection must be quite stunning and it must have been a formidable task for Keith Beken to select the 70 or so that appear in his book. Most of them were taken on a wooden plate camera, originally designed by his father, Frank. It was held at arm's length, the shutter fired by biting on a rubber bulb.

The pictures, in colour and black and white, speak for themselves. The text tells the history of the studio and its camera techniques and the anecdotes reveal a man smitten with sea fever.

DAVID BLACKWELL

Westminster: Palace and Parliament
by Patrick Cormack MP. Frederick Warne. £9.95, 180 pages

On the evening of October 16 1834, a great crowd gathered at Westminster to witness the "horribly beautiful" spectacle of the Houses of Parliament burning to the ground. Even in those days MPs were none too popular and one eyewitness recorded that many considered the fire to be a "merited visitation."

The destruction of the old St. Stephen's Chapel where the Commons had sat for hundreds of years is the centrepiece of the story told by Patrick Cormack, Conservative MP for Staffordshire SW and Chairman of the all-party Heritage Group.

The tragedy provided the opportunity for Sir Charles Barry, the architect, and Augustus Pugin, a designer with a flair for the Gothic, to produce the building which has become an international landmark.

JOHN HUNT

by Lucia van der Post

Spring fever

IT CAN never have been easier, or more fun, to decorate a house. Whether you want to jazz up a small medicine chest with a new coat of paint, repaper the spare room or have a whole new home to plan, designers and manufacturers up and down the country have the most beguiling wares to offer.

Londoners are particularly spoilt with a whole host of specialist shops all offering something different, many of them providing at the very least some sound advice and at most a complete design service.

Out of London is no longer the desert it used to be and small interior decorator shops in most large towns and many small ones carry a much more enterprising range of wall-papers, paints and fabrics than ever they used to.

If you want something very exclusive and special it will, of course, cost you, but even those manufacturers who deal in the mass market have improved their designs so much that those with taste but not much to spend can be sure of finding something fresh and appealing.

The companies that offer a great deal of design flair for very little outlay to which the poverty-stricken should therefore head are Coloroll's Dolly Mixtures, Arthur Sanderson and Sons (in particular, the Triad collection) and Laura Ashley (as I mentioned a few weeks ago Laura Ashley has now brought out a home furnishings booklet which for 50p gives a host of decorative ideas using the new furnishings collection which, not before time, has been completely rejuvenated).

The look that all three are offering isn't very avant-garde but is predominantly fresh, pretty and based on small-scale designs, several of which work with others, offering the consumer an easy way of putting a special look together.

The most exclusive shops are moving off in another direction. Designer's Guild, for instance, is offering a much simpler, less busily patterned look for this spring. The emphasis seems to be on absolutely knock-out pastel colours and both the carpets and the fabrics (described in detail elsewhere) have a discreet self-pattern and the whole effect depends on the use of plain colour.

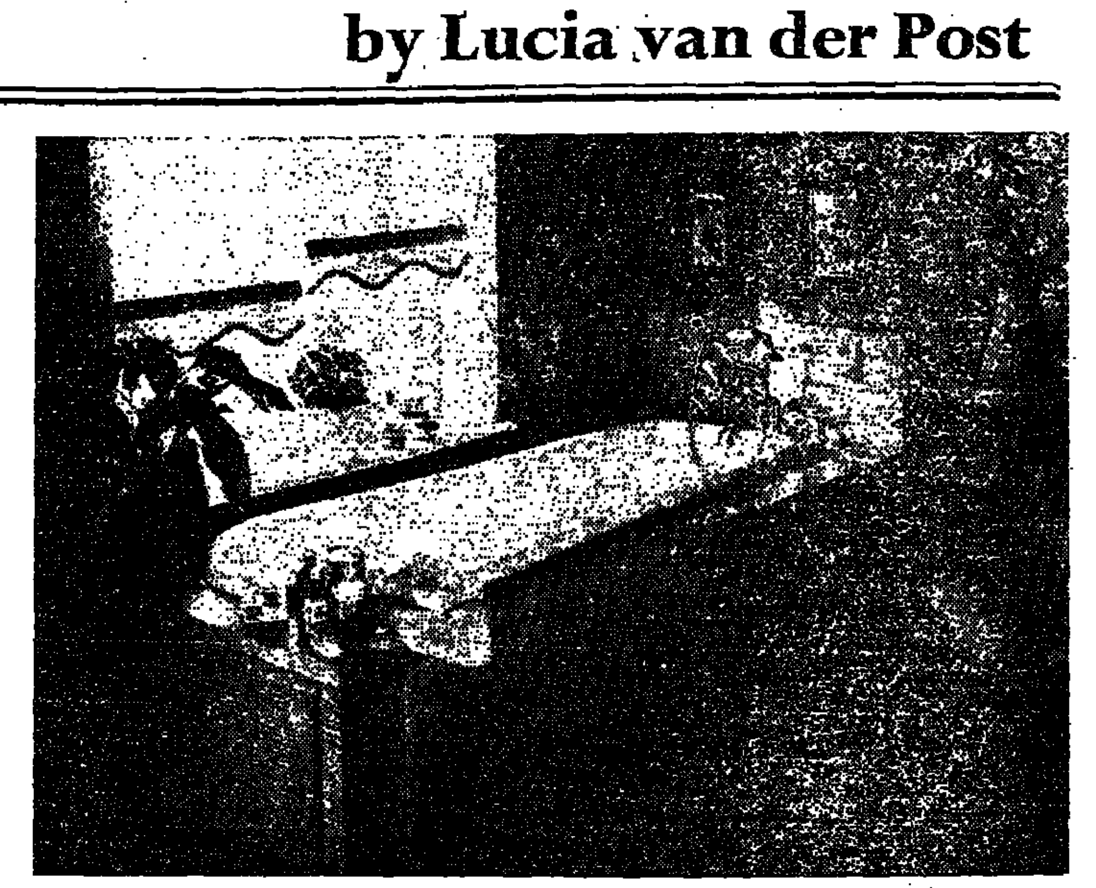
Osborne and Little, of 304 Kings Road, London SW3, is also strongly emphasising soft, clear ice-cream colours. Of the company's own designs there are two new ranges about to be completed and the theme is "plains"—the ranges depend on either a dappled effect in 25 colours (called 'Nuage') or a grained effect in 25 colours (called "Grained Papers"). Both ranges have matching fabrics.

Osborne and Little also imports designs and one of the most knock-out I have seen for a long time is Elsbeth Kupferoth's collection of co-ordinating wallpapers and fabrics called VIP. The range was awarded first prize at Paritex (Europe's largest wallcovering exhibition) last year and when you see it in full colour it's not difficult to see why. Elsbeth Kupferoth has used soft pastels and ice-cream colours (pink, bright blue, green, orange and yellow) to create eight different designs from simple stripes and checks to rainbows and birds—all the designs harmonise together, so that for instance the wavy checks could be used on the wall, the rainbow fabric on the window—and perhaps the birds on a fabric-covered sofa. The wallpapers are embossed with a special crepe effect and are washable and strippable and cost £8.65 a roll (11 yds by 21 ins) while the fabrics come in two qualities cotton (£10.40 per metre) and voile (£17.80 a metre).

This doesn't mean to say that pattern has been abandoned altogether but that a softer, less busy, more relaxed look seems to be coming in. It certainly seems a wonderfully fresh and happy look compared with the sophisticated browns and sludges that were all the rage a few years back.

John Oliver at 33, Pembridge Road, London, W11, is another good source of off-beat colours, papers and ideas and he too is offering a "Plains of England" collection in which the decorative effect is mainly achieved by colour and soft stippled self-coloured patterns. John Oliver is a good place to go for his special paint colours and he does his own distinctive hand-printed papers for those who like a more stylised effect.

Finally, if you want to get your eye in, if you feel in need of visual refreshment, I think it is well worth going along to Homeworks, Dove Walk, 107, Pimlico Road, London, SW1. Run by Robin Guild, who is a well-known interior designer, Homeworks is full of individual room-settings—most of the merchandise seems to be unimaginably expensive but for sheer panache and verve the room-settings take a lot of beating. It is a feast for the eyes and some, at least, of the ideas do not cost a lot to copy.



In the perverse way that designers have, just as they managed to persuade the rest of us that we ought to modernise our bathrooms and go in for streamlined finishes and modern accessories, so they began to scour the antique shops for lovely solid brass Victorian taps, genuine old marble washstands and flowery Art Nouveau tiles. Most of us have neither the time nor the energy to go on such long chases for every small domestic purchase and anyway the supply of the genuine antique article is getting smaller every day so manufacturers have begun to spring up to cater for this natural longing for the more decorative, old-fashioned sort of bathroom.

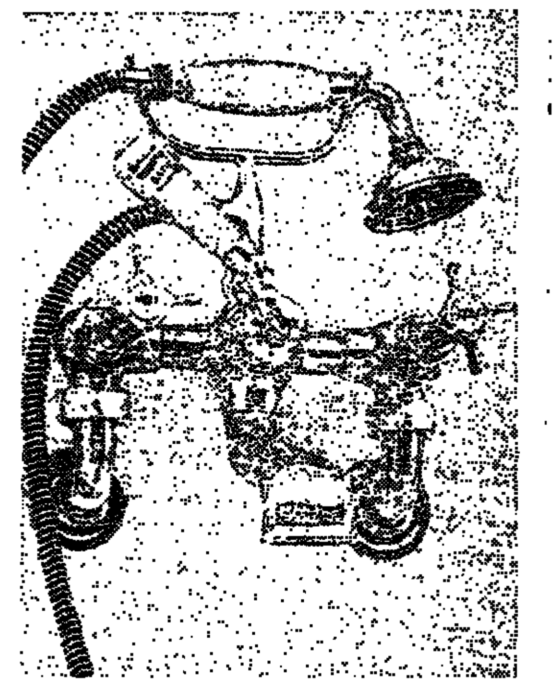
If you're planning a new bathroom or thinking of doing up an old one, the nostalgic old-fashioned look is very much around. I happen to like it very much though I dare say some of my purist designer friends would disagree. I think it offers a warm and agreeable change from the slightly cold and efficient-looking boxes that are usually proferred to us as the ideal to follow.

If you're looking for a relatively easy way of putting such a look together go along to C. P. Hart's showrooms at Hercules Road, London SE1. The bathroom showroom alone (there are also kitchens) is some 225 feet long and almost every conceivable style is on offer. The picture above shows a warm and appealing neo-Victorian look. Though the tub is made of glass fibre it is the exact size and shape of a Victorian tub and the pine and raffia panels round the side give a very soft effect. The tub is £147.20. The Leonardo bath mixer set is in polished brass and echoes the old-fashioned feel.

There are lovely bath taps on sale — I especially liked the Montmartre range which is in polished brass, nickel-plated or it can be bought in a standard range of colours or made to any other colour to order. Taps are £52.93 a pair, wash basin mixer is £135.95.

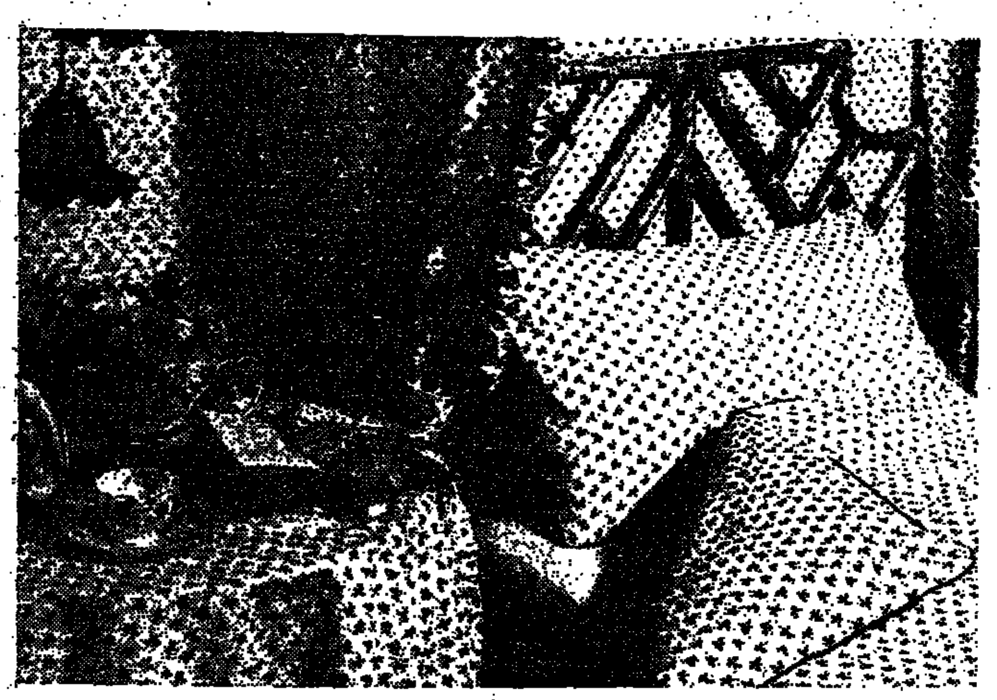
Photographed below right is a marvellous but expensive range of bath fittings made by Czech and Speake from original Edwardian moulds. These were the taps that were used on all the great turn of the century design masterpieces and anybody who travelled on the old Queen Mary will remember them.

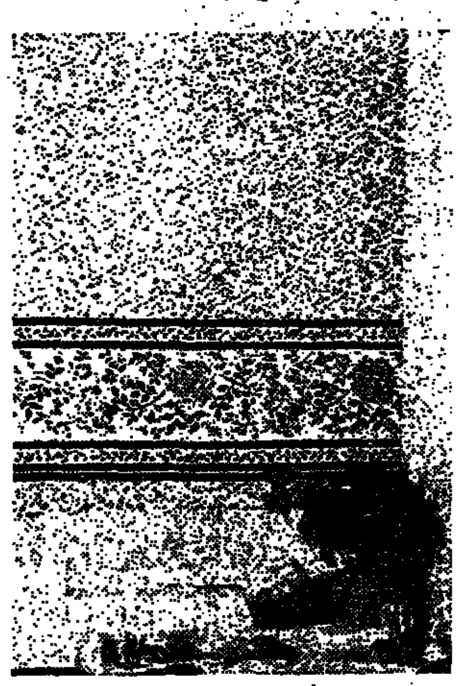
Single taps in brass start at £65, the set above is £442 in brass. Then there are taps for bidets,



baths, kitchen sinks and so on, all slightly adapted so that they conform to modern British Standards and, unlike the genuine antiques, are relatively easy to install.

Since the taps were launched Czech and Speake found such a demand for an Edwardian look to the bathroom that next week it is launching a whole series of related bathroom products. First and foremost it will be producing an Edwardian replica bath but in glass fibre (the original old iron ones really aren't commercially viable being very heavy, cold and easily damaged). Then there will be towel-rails made from brass with porcelain bars, toilet roll holders (again brass with porcelain roll rail — copied from an original at the Connaught Hotel), wooden loo seats and lids, brass bath racks and coat hooks, and so on. Go along to Czech and Speake's showroom at 39, Jermyn Street, London, W1, to see the complete range.





It has never been easier to produce schemes that mix and match in a myriad of different ways. Almost every day it seems the companies that specialise in fabrics and papers, in paints and tiles offer the receptive public more sophisticated and plentiful choices among their wares.

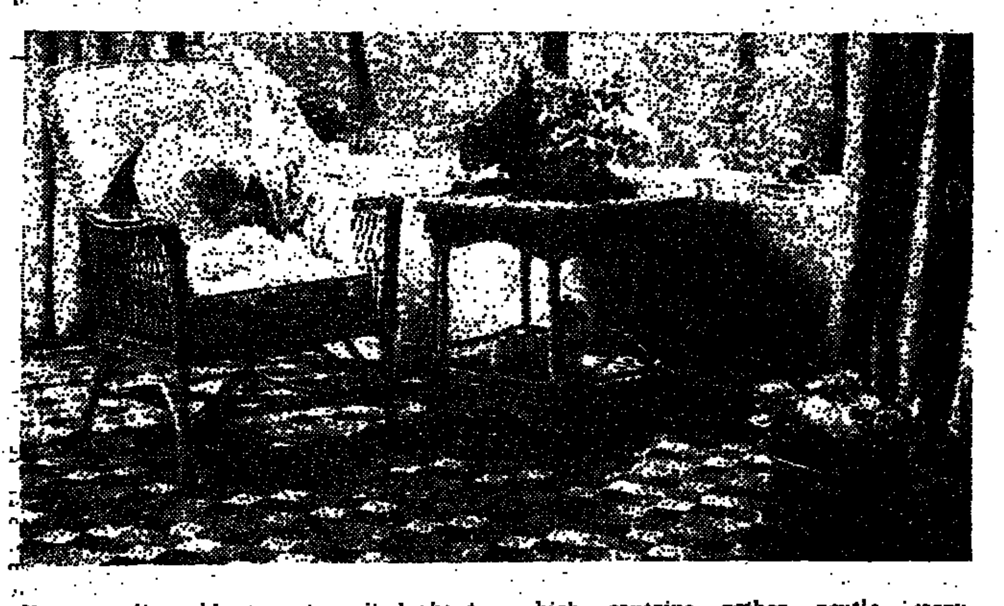
Arthur Sanderson and Sons was one of the first into the mix and match theme and the regular launching of new designs in the Triad Collection is always much-awaited by those in the decorating business.

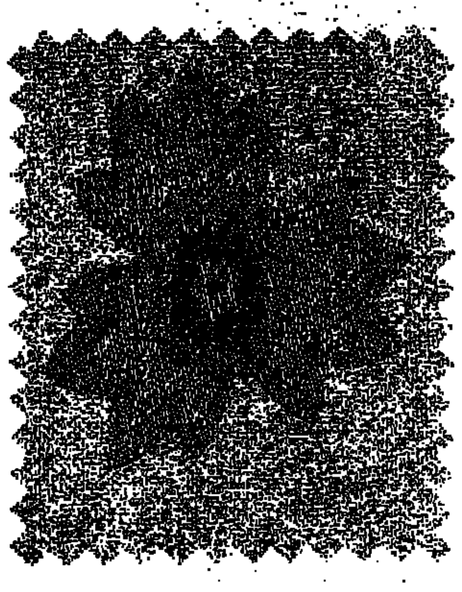
Triad has been a huge success, offering at reasonable prices, a large number of permutations and from May Arthur Sanderson is extending even further the scope for co-ordinating. Three of the most popular Triad designs, Beth, Dimity and Country Trail, have been used to produce a selection of bed linen—duvet covers, and pillow cases. They are all made from 50 per cent cotton 50 per cent polyester with an easy-care finish (which in practice, in my experience, means you don't have to iron them but they look better if you do). Duvet covers are available in three different sizes, prices about £18.95, £27.50 and £33.80.

Pillow cases will sell at about £7.40 a pair. Photographed, above left, is Beth, a clear, small flower print which comes in five colourways—rose/sage, lemon, rose/taupe, dove and blue. The matching furnishing cotton is about £5.80 a metre, the wallpapers £6.50 a roll. The complete selection of bed linen will be going into Sanderson specialist shops all over the country in May though readers in the Midlands and East Anglia can buy it now.

Photographed above, right, is Tressider, one of Linda Beard's designs from her Dolly Mixtures range for Coloroll. It was a huge success from the minute it was first launched some two years ago, since when nearly £20m of wallpaper alone has been sold. Now, however, the Dolly Mixture designs are available on an increasingly wide scale—on wallpapers, fabrics, curtains, bed linen, lampshades and roller-blinds, while a selection of borders enables the would-be home decorator to play at creating her own scheme.

The great joy of Dolly Mixtures is that there is such a huge choice of integrated designs that can be used together so that the selection never seems cliched or over-predictable. Prices are exceptionally good—wallpaper being £3.45 a roll, fabric £3.95 a metre, pillowcases £5.65 a pair, quilt covers £14.50 for single size, £19.80 a double. The Dolly Mixtures range can be bought in do-it-yourself shops all over the country. Bed linen and ready-made curtains are stocked in many department stores.





I'm not often able to get excited about modern patterned carpets (why is it that with all our famed design schools and all our modern technology the old, traditional patterned carpets from the Middle East still seem infinitely more appealing to me than almost anything that ever comes out of Kidderminster?) but I have to say that Mary Quant's designs for Templeton Carpets go quite a long way towards persuading me to consider using one in my own home.

Certainly Mary Quant has made a big effort to make them lively, yet usable, modern, yet not too aggressive. The partnership between Mary Quant and Templeton Carpets isn't new — they first got together in 1979 — but this time round the designs have moved on to take into account the feeling for subtler colouring and the trend for smaller patterns.

Berber browns and fawns and natural shades have been used a great deal—I particularly like the Sauterne pattern which contains rather gentle, wavy patterns in those colourways.

Another good design to look out for is Aztec—a lively and distinctively patterned carpet with the currently fashionable ethnic feel to it. Photographed, above, is Havanna, a patchwork effect using the Berber shades that are now so popular. As Mary Quant herself puts it—this design is a good one for those who really prefer plain carpets but need some surface pattern for practical reasons.

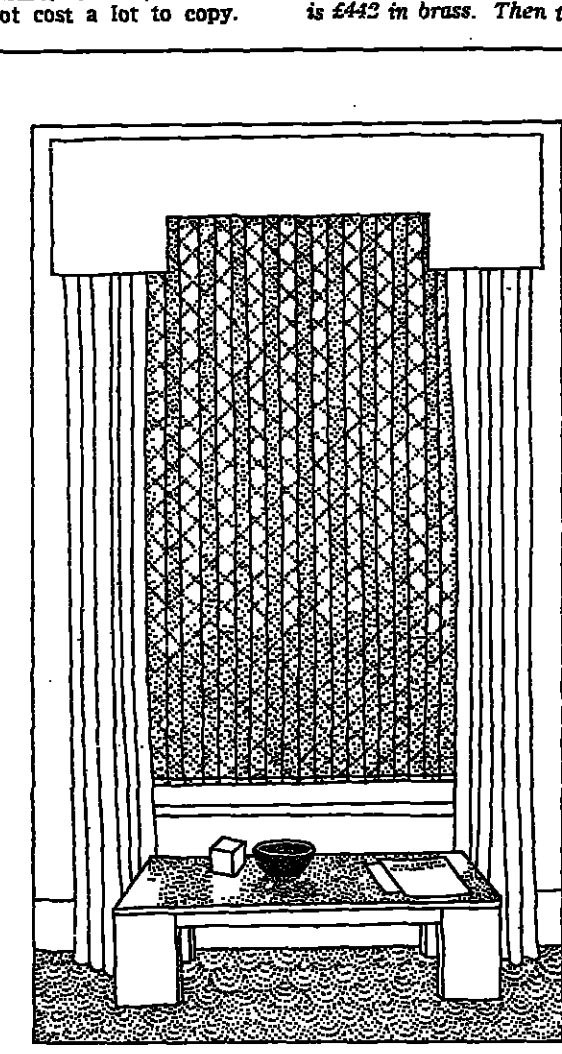
All the carpets are made from a mixture of 80 per cent wool and 20 per cent nylon —the currently established mix for producing the best solutions to the problems of wear and appearance. Available in 12-ft and 3-ft widths the complete range (including the five most popular designs from the last collection) is going into shops nationwide in mid-April. Prices will be about £14.95 a square yard.

Shown above right is the motif from two of Designer's Guild's latest collections. Firstly, a self-patterned daisy motif has been used on a collection of carpets which have been coloured in typically Designer's Guild colours—ravishingly pretty, pale ice-cream shades as well as violets and softest grey.

Toning in with the daisy motif carpets are two identically coloured ranges. One is completely plain and the other has a fine strip. In 80/20 wool/nylon mixture, 27 ins wide, the carpet is £23.30 per linear metre.

Using the same motif and in 21 mouth-watering colourways is a 100 per cent cotton, jacquard woven damask. The fabric itself is about 46 ins wide, is £14 a metre and, it should be noted, is recommended for dry-cleaning only.

Anybody who wants to see what the coming colours in interior design are going to be should look at this collection at Designer's Guild, 277, King's Road, London, SW3, though selected outlets through the country will be selling it, too.



Enriqueta is the name of a dynamic lady who started up her own interior design company some 10 years ago. She called it simply Enriqueta from the start and her trade-mark has been her incredibly well-equipped vans which are driven right up to the customer's front door and from which an astonishing variety of carpets, fabrics and wallpapers can be pulled, on all of which Enriqueta is prepared to offer opinions and advice.

Her reputation has been built on her willingness to do anything the customer required, whether it was just a new set of curtains or a complete interior design scheme involving everything from initial drawings through to covered sofas and the last cushion and tablecloth.

Enriqueta has, however, recently started a related venture which is her first entry into the shopping-by-post field. She has for some time felt that the choice of fabrics for those who needed to shield their rooms from passers-by was too limited and she now offers a whole series of voile blinds all made from exquisitely light and delicate fabrics.

The voiles were all chosen by Enriqueta and mostly come from France. There is a wide choice of designs from charming geometrics and simple spots to plain white and ecru. The voile itself offers a fresh, light way of achieving some degree of privacy and a welcome change from those nylon nets and lacey numbers we've all seen too often.

In addition the voile is washable, needs no ironing afterwards and Enriqueta offers a simple little leaflet explaining exactly how to measure and how to order. There are basically two styles of voile blinds — "Firenze" which as you might expect is flounced and rather on the elaborate side, while "Siena," shown sketched here, is to my mind much the easier to use.

All the blinds come complete with a whitewood pole cut to measure, thimble brackets in solid brass and full instructions for fitting.

For a free illustrated brochure about the blinds, giving all details and an order form, write to Enriqueta, Devonshire House, Barley Mow Passage, Chiswick, London W4. Prices start at about £25 for a 2ft. by 2ft. blind.

Substantial soups

BY JULIE HAMILTON

I LOVE food. I accept every invitation to dinner and nearly always have second helpings. I like all types of cooking but, although the French are usually thought to reign supreme, the Hungarian kitchen is my personal favourite.

I am greatly influenced by it and am sad that so many professional cooks, restaurants and food producers make a nonsense of one of Hungary's great dishes.

What so often passes as *gulyás* (like a casserole to which paprika has been added) is an impertinent imposter. *Gulyás* is a soup. It is, of course, too substantial to serve as a starter. It is the meal. Here is an authentic recipe.

Genuine gulyas

serves 6

2 lbs beef (flank and fillet ends); 1½ oz lard; 2 medium-size onions; 1 lb potatoes plus 1 raw potato grated; 2 tablespoons tomato purée; 3½ pints bone and vegetable stock; 1 large green pepper; 1½ tablespoons paprika; ¼ teaspoon caraway seeds.

Chop the onions finely and fry in the lard until golden. Remove pan from heat and stir in the paprika. Return to gentle heat and add the beef, which has been cut into one-inch cubes, the grated potato and the caraway seeds.

Put on a lid and simmer for approximately five minutes. Stir from time to time. Now add the tomato purée and half a cup of the stock. Stir, cover and simmer for about half an hour or until the meat is nearly cooked.

Add the remaining stock, bring to the boil and add the potatoes, which have been cut into small cubes, and the green pepper sliced into strips. Cook until the potatoes are done, season with salt and pepper to taste.

A genuine Hungarian *gulyás* soup is garnished with *csipetke* (thimble dumplings, which are more a pasta than the familiar suet dumplings).

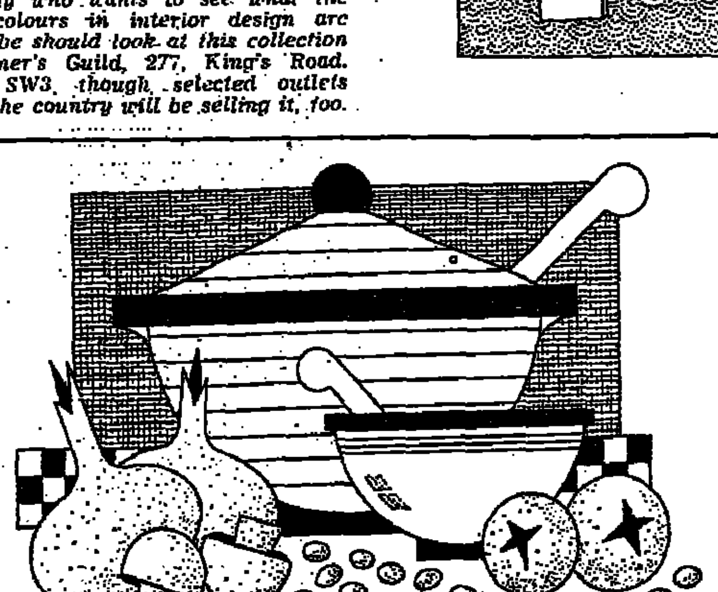
Csipetke

6 oz flour; 1 large egg; pinch of salt; 1 scant tablespoon milk.

Sift the flour, lightly beat the egg with the milk and add it to the flour with the salt. Knead to a stiff dough, flatten it between the palms of your hands, pinch into bits the size of kidney beans, add them to the *gulyás* for the final 15 to 20 minutes of cooking, boil slowly.

All you really need to accompany this dish is a glass or two of Hungarian wine, such as Bull's Blood!

Now for a Mexican soup which is reminiscent of chilli *con carne* but, in my view, far superior. It is a very thick soup which again is a meal on its own and should be served with hot garlic bread.



Pauline Rosenthal

Hot and Mexican

Serves 4

½ lb minced beef; 2 medium-size onions; 2 small green or red peppers; 2 oz butter; 16 oz tinned tomatoes; 14 oz red kidney beans (soaked overnight if dried); 8 oz chick peas (soaked overnight unless tinned); ¾ pint good marrow bone stock; 1 small teaspoon chilli powder; salt to taste.

Finely chop and fry the onions in the butter, add the meat and brown it. Finely slice the peppers and add them, with the tomatoes, beans and chick peas, to the meat. Stir well, then add the stock and chilli powder. Bring to the boil, cover and simmer for at least an hour. Remove from heat and allow to cool a little, then push through a coarse sieve or liquidiser. Return to the pan and re-heat, adjust seasoning with salt and more chilli powder if required. When serving decorate each portion with finely shredded lettuce or chopped parsley.

Having supper the other night with a Persian-Russian friend we were treated to a delicious spinach soup. Needless to say I had seconds and was unable to do justice to what followed.

The secret of this soup is the freshness of the spinach and the quality of the stock. A really good thick marrow bone stock is best but chicken stock will do.

Farideh's special

Serves 4 to 6

2½ pints marrow bone stock; 1¼ lbs spinach; 1 root of celery; 2 large onions; 1 generous teaspoon mixed spices; 5 oz fresh or sour cream; 3 or 4 eggs; salt and pepper to taste.

Wash, dry and finely chop the spinach, including the stalks. Do likewise with the celery and onions. Bring your stock to the boil and add the chopped vegetables. Do not be alarmed by the quantity of spinach. It reduces a great deal.

Simmer for approximately 45 minutes or until the vegetables are cooked. Wash the eggs and plunge them into the soup in their shells to hard-boil them. When they are cooked, peel and finely chop them. To serve, pour the soup into individual bowls, pour cream over the top of each helping, then generously sprinkle hard-boiled egg on top of the cream.

Who needs anything to follow such a soup? Served with hot brown toast it is more than enough.

Another of my Hungarian favourites is veal *ragout* soup. It is filling, nutritious and goes down well with the children even though they say they do not enjoy soups "with bits in."

Hungarian veal

serves 4 to 6

1 lb veal bones; ½ lb minced veal; 1 large onion; 2 oz butter; 2 oz carrots, cut in thin strips; 2 oz carrots, cut in thin thin strips; 1 oz savoy cabbage, finely shredded; 1 oz celeriac, finely chopped; 2 oz mushrooms sliced; 1 tablespoon chopped parsley; 5 whole black peppercorns; 2 oz flour; 1 teaspoon lemon juice; 5 oz sour cream; 2 egg yolks; 1 tablespoon salt

Quarter the onion, place it in a large saucepan with the salt, peppercorns and veal bones and three pints of water. Bring to the boil, then simmer to make the stock. *Sauté* the minced veal in the butter with the parsley and all the vegetables.

When they are tender, sprinkle on the flour, stir and then add the strained bone stock. Bring to the boil, cover and simmer for half an hour. Add the lemon juice and adjust seasoning. Before serving, mix together the sour cream and the egg yolks in the soup tureen and pour the hot soup over them. Serve at once.

ARTS

Hammer and tongs

BY B. A. YOUNG

Poetry grows in strange places. Alfred Williams went to work in the railway workshops at Swindon when he was 14 years old and continued to work *there until he was 37.* He began work at six in the morning, cycled home for breakfast at 8.15, went to work again at 9. The factory was pitch-black inside except where it was seared with the blinding white of hot metal. The noise was deafening, the air was filled with smoke. There was one wc for 500 men.

While he worked there, Williams taught himself Greek, Latin and French. He wrote four volumes of poetry, which he sold from door to door, and a book called *Life in a Railway Factory.* It was "a wonderful experience, thrilling and impressive." When the appalling conditions compelled him to leave, he tried market-gardening and then *joined the army as a Gun*ner and went to India. There he fell in love with Indian life and began to learn Sanskrit.

The exraordinary story of Alfred Williams was told in a programme called *Hammerman on Radio 3 on Tuesday.* It was a programme with no big names in it, apart from Sir Basil Blackwell, who published some of Williams's work, including his translations of stories from the Sanskrit, and who said of him, "There are people like that, you know, they leave you better than they find you."

I found this a truly heartening programme; *indeed, it left me* better than it found me. Williams, with his admiration for the powerful machinery that made his life so dreary (the foreman wouldn't even let him write his Greek verbs on his *machine); who found* at almost 40 that "the army is a knockout;" who deprived himself and his faithful wife of comfort, let alone luxuries, so that he could buy his Sanskirt textbooks, must have been an altogether excep*tional man. John Wells,* who wrote the programme from the initial research of Howard Goorney, presented it in a flat, unemotional voice that made the wonder of it the more amazing. Such of the poetry as we heard, read by Timothy eWst, seemed competent rather than inspired, yet there are worse items in the Golden Treasury; the verse about the wren might have been second-class Wordsworth. But it was not as a poet I found Williams so astonishing, but as a valiant spirit. Margaret Wyndham directed the programme. Martin Jenkins produced it.

I'm not often an enthusiast for Radio 4's *Kaleidoscope,* which is a magazine programme rather than a critical programme, but I wouldn't have missed Michael Billington's bit about the Royal Court last Wednesday for anything. It was good, above all, to be reminded why we thought it was import*ant in its early days, when* nowadays it seems so much less. There were the voices of John Osborne and Tony Richardson, Olivier in *The Entertainer* ("it changed my acting career"), David Storey, William Gaskill. I won't pretend that I fell over with critical admiration all that time; after Gaskill's *Macbeth* I had a letter from Mr. Gaskill which ended "We can very well do without you," prompting me to wear dark glasses and a false moustache next time I went. But just as the founding father George Devine insisted on "the right to fail," we had the right *to stir things up from our side* of the proscenium; and now we find that often enough the early luminaries haven't been universally keen on later developments. It was immensely stimulating.

As Michael Billington said, the Court exists in a different world today. There are other nesting-boxes for important new work, and what's more, what seemed revolutionary in the late 1950s and 1960s are everyday matters now. I remember leaving the public gallery of the House of Commons at the end of the Third Reading of the *Theatres Bill, and meeting some* Royal Court people coming in, and it seemed to me then that they were characteristically a little behind the times.

I must take Mr. Billington to task over one thing. One of the Court's keenest founder-members was Ronald Duncan, who wanted it a home for poetic drama and wrote verse plays for it — *The Death of Satan, The Apollo de Bellac,* and so on. He was soon squeezed out, but he rates a mention.

Elsewhere on Radio 4 that evening came its usual indifference to the arts. "President Reagan watched the award of the Oscars on television," said the 6 o'clock news. We never heard who the awards went to, though. Surely if they were interesting enough for a wounded President, they were interesting enough for us?

On the other hand, at 7.45 the following morning in *Today,* I was delighted to hear a discussion on the Round House's *Duchess of Malfi.* Bosolo "was *like that guy in Taxi Driver,*" one acute critic remarked.

The Pirates of New York

BY B. A. YOUNG

Among the tickets hardest to get in New York are for English imports, *The Pirates of Penzance* at the Uris and *Amadeus* at the Broadhurst.

The Pirates is so unexpectedly enjoyable that it's almost worth one of these new cheap Transatlantic flights by itself. The director, Wilfred Leach, has taken an absolutely fresh sight on Gilbert and Sullivan. Hardly anything in his production is familiar but the words and the notes, and even the notes have been changed a bit. The produc*tion was originally* done in the open air (and a production in the Uris, which is big enough for Prince Charles to get married in, isn't all that different from the open air), and the band parts have been rescored for wind and brass, plus an array of percussion and a synthesiser that makes a sneering laugh as the Pirate King ensnares young Frederick with his most ingenious paradox. Mr. Leach has also introduced two extra numbers, "My eyes are fully open" from *Ruddigore,* for Frederick, Ruth and the Pirate King, and "Sorry her lot" *from Pinafore, prettily sung by* Mabel.

The singers of course are all miked, but for once this didn't worry me. Frederick and his Mabel are both taken by singers better known in the pop than *the operatic world.* Linda Ronstadt and Rex Smith, yet they sing the numbers straight, and the resources of breath that the mikes give them enables them to encompass the patter and the coloratura very skil*fully. They act very nicely too,* released from any shackles of traditional business, he with a touch of camp to distinguish him from the rough pirates he must now leave, she as the most respectable of Major-General *Stanley's numerous daughters.* The general is our own George Rose, who despatches "I am the very model" with immense brio, and the Pirate King is Kevines Kline, a Julliard-trained baritone with a happy resemblance to Errol Flynn.

Mr. Leach's only serious mistake is in the business he and *his choreographer Graciela* Daniele give to the policemen. The stolid London copper in Gilbert's mind has gone, save for his uniform; instead, we have restless, light-footed Keystone Cops who dance about tirelessly even through "When a felon's not employed." But mostly the thought is right. Gilbert was mocking the romantic drama of his time, and even Sullivan winks good-naturedly at Donizetti now and then. So *what more appropriate than to* mock the mid-Victorians in terms of late 20th-century Broadway rather than late 19th-century Savoy Theatre?

It's all very pretty to look at, with a real pirate ship sailing *around the corner of the single* panel of scenery that backs the island stage at the centre of the Uris's wide proscenium (scenery by Bob Shaw and the director). It was a great joy to hear the New York audience, few of them apparently familiar with *The Pirates,* picking up Gilbert's jokes and repeating them to one another with relish.

Amadeus, which I didn't like much in London, has also spread its wings in the New York air. There has been some re-writing that has much improved the second act; Salieri no longer sends his man to haunt the starving Mozart, but haunts him himself, and as there is no longer any use for the man he has left the script altogether. But what reconciled me more was the performances of the two main parts, which seem to me re-oriented.

Ian McKellen's Salieri is a cynical man in spite of his *solemn compact with God.* He means what he says as he prays "Grant *me* sufficient fame." Mr. McKellen shares his thoughts with the audience, and Peter Shaffer has written him some lines to be directed deliberately in their direction. In the other corner, Tim Curry's Mozart is a revelation. He wears a frivolous wig, he bandies jokes with his Constanze that are sometimes dirty and sometime childish, he likes to relax with his billiards; but he is, from the very start, a man who could have written those bars from the Divertimento K361 that so overcome Salieri when he overhears them.

Both these performances are outstandingly good, developing wonderfully with the passage of stage time. Peter Hall's production retains all the quasi-operatic distinction it has in London. But a second view of the play only emphasises its poverty. *The grand theme is illustrated* only with a series of footnotes. Just once, when Salieri observes that "goodness could not make me a good composer," did I feel that Mr. Shaffer's character was as interesting as *the Salieri in Pushkin's little* verse-play, in spite of all the biographical detail with which both composers are so painstakingly decked.

Linda Ronstadt and Rex Smith in 'The Pirates of Penzance'

SPNM

BY ANDREW CLEMENTS

There were two works in Thursday night's "public orchestral rehearsal" at St. *John5s, Smith Square organised* by the Society for the Promotion of New Music. But because the orchestra was the London Sinfonietta, the amount of rehearsal was reduced to a minimum and we heard complete performances of David Morris's *Descent into the Maelstrom* and George Nicholson's *Convergence of the Twain.* The conductor was Dominic Muldowney.

Once again in an SPNM programme literary influences *dominated the composition of* both works. David Morris's piece goes so far as to base the detailed structure of its four movements on a set of 23 key phrases distilled from Edgar Allen Poe's short story of the *same name, depicting the fish*ing boat gradually sucked into the whirlpool, carried to the depths and finally delivered safely on to a calm sea. It is not a programme that has been well executed. Morris relies heavily on two groups of quota*tions, from the sea interludes in* Britten's *Peter Grimes* and Debussy's *La mer.*

The danger in making such commonplace quotations an integral part of a score is that it tends to undermine the credibility of its original parts. Inevitably the listener seizes upon memorable shapes and tries to make them into something familiar. Some wispy string passages and chunky Birtwistlian chords apart, there was little to hang onto. *Convergence of the Twain,* by contrast, made a very positive *impression.*

Here the starting point was Thomas Hardy's poem on the *sinking of the Titanic.* But as Nicholson's helpful and concise introduction made clear, it was only the starting point, furnishing him with the idea of making a *piece out of the* opposition of world of human achievement with the remorselessness of the natural world. After that purely musical considerations took over. The result is a lucid orchestral essay lasting around 20 minutes, luminously scored for a small orchestra (the Sinfonietta relishing the rewarding parts Nicholson gives them) and with a completely pertinent argument.

It contains some of the most convincing fast music I've heard in a new piece for some time: the body of the work is a stormy discourse, interrupted for a luscious cor anglais solo and closed by a brief, enigmatic and vaguely Straussian coda. The *Convergence of the Twain* deserves many more hearings; the Sinfonietta should make an effort to include it in a South Bank programme soon, or better still commission a new work from Nicholson.

Jorge Bolet

Quick to recognise a good thing, the City Music Society *snapped up Mr. Bolet for a* Goldsmith's Hall recital while he is visiting Britain again. Regular readers will know that he is regularly welcomed in these pages. He is not only a master-pianist, a performer who honours his instrument with a kind of selfless virtuosity—transcendental technique scrupulously employed—but also the living *token of a special* tradition: the Godowsky piano school. He shows it to be a whole view of what the keyboard is for, not a mere set of mannerisms. Cultivated consistency of this order is a lesson to everybody.

For lovers of the piano, Bolet's playing is a feast even in works where he sticks to hallowed interpretative *lines.* On Thursday he offered the op. 110 Sonata of Beethoven, which *asks for* no athletic panache, without arresting insights—but with a polyphonic transparency second to none. In the fugal finale every voice sang; in the opening *Moderato cantabile* Bolet refused to leave the rippling background a Romantic wash, but let it make a speaking effect through deliberate underpadalling. More forcefully single-minded readings can be heard, but none in which the main musical lines are kept more gently luminous.

Max Reger's Variations and Fugue on a theme by Telemann tack between square-cut brilliance and chromatic *languors.* Bolet brought rocketing cumulative energy to the whole sequence, redeeming its second-hand effects by sheer finesse. The B minor Sonata of Liszt boasted a phenomenal range of tone-colour, and the sympathetic power of Bolet's performance survived a grave mishap. He has evenings full of trivial finger-slips, and this was one of them; in mid-Liszt a piano-string developed an alarming buzz, and he was sufficiently jolted to break off for a fresh start. Though the lapse should have been ruinous, the performance was hardly dented: it had such iron-clad conviction that one was scarcely aware of the dropped stitch. As usual there was a tumultuous demand for encores, answered this time by *some magisterially* playful Chopin. Next time, Bolet owes us a brief programme that the can compete with anything he feels like playing—he reads his audience so well that one trusts his whims absolutely.

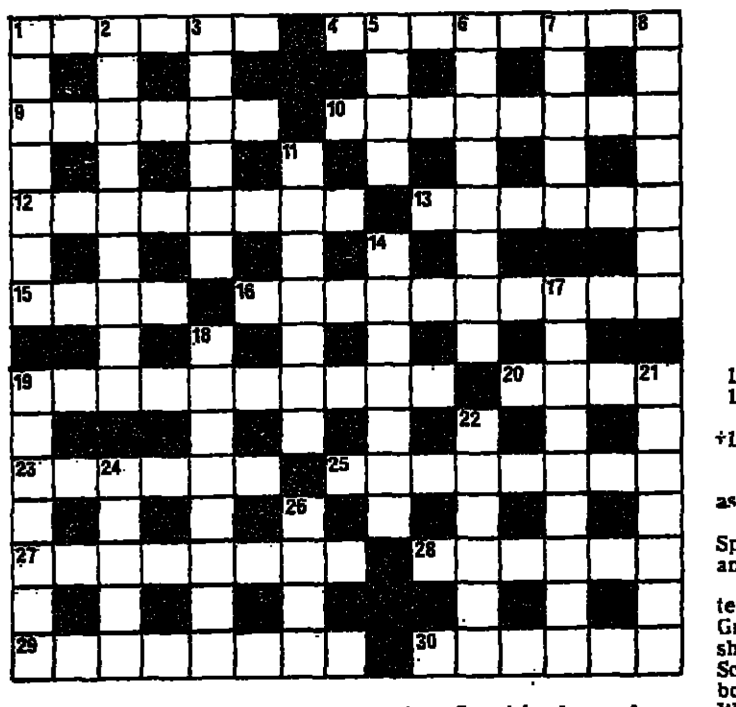
DAVID MURRAY

F.T. CROSSWORD PUZZLE No. 4,537

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name

Address



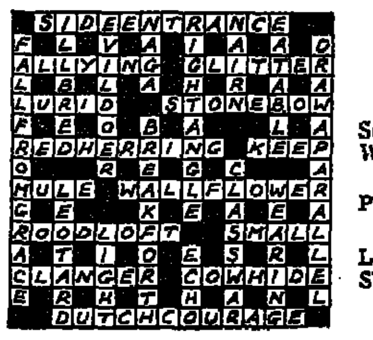
ACROSS

1 Children make game of the shepherdess (2-4)
4 Policeman takes labour leader to his apartment (4-4)
9 Vessel in the City causes disturbance (6)
10 "Bloody instructions which, *being taught, return to* plague the ——" (Macbeth) (8)
12 Fiery carpenter makes the approach (4-4)
13 An easy remedy (6)
15 A poor start in the rise to wealth (4)
16 Censor shows the way to political conspiracy (4, 6)
19 Dictator includes proportion in conclusion (10)
20 Saint leaves a small coin in Bucks (4)
23 One doctor has information for the king's *daughter* (6)
25 An illegitimate mistake about an old date (4-4)
27 Tree fellers on the council (8)
28 I'd help to form a place of divination (6)
29 Unceasingly denied by the raven (8)
30 Experts take it for health (6)

DOWN

1 Threatening delivery has little weight in our railway system (7)
2 A dish for one who likes his oats (9)
3 Please turn and pass away (6)
5 The Scottish long for a famous church dignitary (4)
6 One of Beethoven's half-way round the course (3, 5)
7 Victorious, not upset with *little work about* (2, 3)
8 It is anguish for people found in the wrong (7)
11 The commander went at speed to the dance (7)
14 A chap takes the sculptor to the composer (7)
17 They bear the stamp of letter-writers (9)
18 "Are not these wonds more —— peril than the envious *court?" (AYLI)* (4, 4)
19 Secret Service man? (7)
21 Do not accept the first impression here (7)
22 Not exactly remote, but comes from outer space (6)
24 Nostalgic something from the past (5)
26 A form of address which is expensive (4)

Solution to Puzzle No. 4,536



TV/Radio

BBC 1

†Indicates programme in black and white

8.05 am Open University (Ultra high frequency only). *9.05 Swim. 9.30 Lassie. 9.50* Help It's The Hair Bear Bunch. †10.10 Grin And Bear It. 10.30 Foghorn Leghorn. 10.40 "A Lawless Street," starring Randolph Scott and Angela Lansbury. 11.57 Weather.

12.00 Grandstand on Grand National Day: 2.00 The Sun Ratings Handicap Steeplechase: 2.35 The Sun Templegate Hurdle Race: 3.20 The Sun Grand National; Football Focus (12.10); University Boat Race (12.40) Oxford v Cambridge: Rugby League (3.55) (Hull KR v St. Helens; 4.45 Final Score.
5.10 Tom and Jerry.
5.20 News.
5.30 Sport/Regional News.
5.35 The Dukes of Hazzard.
6.20 The Saturday Film: "One Million Years BC," starring Raquel Welch.
8.00 Eurovision Song Contest.
10.20 News and Sport.
10.35 Saturday Night At The Mill.
†11.25 Phil Silvers as Sergeant Bilko.

All Regions as BBC 1 except as follows:

CymruWales — 5.30-5.35 pm Sports News Wales. 11.50 News and Weather for Wales.

Scotland—3.55-4.25 pm Amateur Boxing (opt-out from Grandstand) S.A.B.A. Championships (highlights). 4.55-5.10 Scoreboard (1). 5.30-5.35 Scoreboard (2). 11.50 News and Weather for Scotland.

Northern Ireland—5.00-5.10 pm Scoreboard. 5.30-5.35 Northern Ireland News. 11.50 News and Weather for Northern Ireland.

England—5.30-5.35 pm (South-West only) Saturday Spotlight.

BBC 2

7.40 am-2.20 pm Open University.
†2.55 Saturday Cinema Double-Bill: "Hell Bent for Glory," starring Tab Hunter and at 4.25 "The 1000 Plane Raid," starring Christopher George.
5.55 Newsnight in India.
6.35 News and Sport.
7.10 Rugby Special.
8.00 "Khovanshchina", Soviet Television recording of Mussorgsky's opera from the Bolshoi (A simultaneous broadcast with Radio 3) including 8.50 News on 2.
11.00 Arena: Did You Miss Me . . . ? (The return of Gary Glitter).
11.35 Racing from Aintree (highlights).
11.55 The Old Grey Whistle Test.

LONDON

8.45 am Sesame Street. 10.10 Survival. 10.35 Anna and The King. 11.00 Thunderbirds. 12.00 Mork and Mindy.
12.30 pm World of Sport: 12.35 On The Ball; 1.00 International Sports Special (Part 1) Motor Sport from Mexico; 1.15 News; 1.20 The ITV Seven from Salisbury and Stockton; 3.10 International Sports Special (Part 2) Tennis Avon Women's Championships from Madison Square Garden, New York; 3.50 Half-time Soccer Round-Up; 4.00 Wrestling; 4.50 Results Service.
5.05 Metal Mickey.
5.35 News.
5.40 Buck Rogers in the 25th Century.
6.35 3-2-1.
7.35 "Von Ryan's Express," starring Frank Sinatra and Trevor Howard.
9.45 News.
10.00 The Big Match.
11.00 The Monte Carlo Show with Patrick Wayne, Telly Savalas and Charles Aznavour.
12.00 The Electric Theatre Show.
12.30 am Close: Personal Choice with Lord Rawlinson.

All IBA Regions as London except at the following times:—

ANGLIA

9.40 am The Lost Islands. 10.05 Rocket Robin Hood. 10.25 Ad Lib. 10.50 Saturday Morning Film Islands of the Lost starring Richard Greene. 10.00 pm Match of the Week—Gerry Harrison presents highlights from three of today's Football League fixtures 12.00 *Afloat. 12.30 am At the End of the Day.*

ATV

9.10 am Co-operate! with Jimmy Reid. 9.35 Numbers at Work. 10 00 The Flying Kiwi. 10.30 The ATV Saturday Morning Picture Show. 10.00 pm Star Soccer: Highlights of three top matches including a major first division match from the Midlands. 11.00 Quincy.

BORDER

9 10 am Co-operate! 9.35 Numbers at Work 10 00 World Famous Fairy Tales *(Cinderella). 10.15 Fangface.* 10 45 Laurel and Hardy in "Bacon Grabbers." † 11.10 Superstar Profile. 11.35 The Incredible Hulk. 10.00 pm Shoot 11.00 The 1981 Butlin's Grand Masters Darts Championship.

CHANNEL

5.40 pm Puffin's Pla(i)ce.

GRAMPIAN

9.45 am The Adventures of Parsley. 9.50 Sesame Street. 10.50 Here's Boomer. 11.10 Banana Splits in Hocus Pocus Park. 12.00 The New Fred and Barney Show. 10.00 pm Scotsport. 11.00 Reflections. 11.05 The Monte Carlo Show featuring Rod McKuen.

GRANADA

9.15 am No Need To Shout. 9.40 Numbers at Work. 10.05 Survival. 10.30 Mystery Island. 10.40 "Battle Beneath the Earth." 10.00 pm Match Night. 11.05 Lou Grant. 12.00 Celebrity Concert: Charles Aznavour.

HTV

9.10 am Numbers at Work. 9.35 No Need To Shout. 10.00 The Undersea Adventures of Captain Nemo. 10.05 Spiderman. 10.30 "The Great Bank Robbery," starring Zero Mostel, Kim Novak and Clint Walker. 12.28 pm HTV News. 5.39 HTV News. 7.35 "Gun Fight at the O.K. Corral," starring Burt Lancaster, Kirk Douglas and *Rhonda Fleming.* 10.58 HTV Sports Headlines.

HTV Cymru/Wales—As HTV West except: 10.00-10.30 am The Book Tower. 5.05-5.35 pm Sion a Sian.

SCOTTISH

9.18 am Co-operate. 9.35 Numbers at work. 10.00 The New Fred and Barney *Show. 10.25 Ad Lib. 10.50 Feature* Film: "The Most Dangerous Man in the World" starring Gregory Peck and Anna Heywood. 10.00 pm Scotsport. 11.00 Late Call. 11 05 Police Story.

SOUTHERN

8.50 am God's Story. 9.05 Sesame Street. 10.00 Clapperboard. 10.27 Regional Weather Forecast. 10.30 Mork and Mindy. 11.00 "The New Original Wonder Woman" starring Lynda Carter. 12.20 pm The Walt Disney *Classic.* 11.00 Southern News. 11.05 Lou Grant.

TYNE TEES

9.00 Chopper Squad. 9.50 Butch Cassidy. 10.15 Cartoon Time. 10.25 Ad Lib 10.50 Saturday Morning Movie: "The Life and Times of Grizzly Adams." 5.40 pm North East News. *10.00 Shoot! 11.10 Tenspeed and* Brown Shoe. 12.10 Three's Company.

ULSTER

9.15 am No Need To Shout. 9.40 Numbers at Work. 10.05 Fangface. 10.25 Sesame Street. 11.25 Sally and Jake. 11.35 Tarzan 5.00 pm Sports Results. 5.38 Ulster News. 9.59 Ulster Weather 11.00 W.K.R.P. in Cincinnati. 11.30 Bedtime.

WESTWARD

9.30 am Look and See. 9.35 Thunderbirds. 10.20 Gus Honeybun's Birthdays. 10.25 Ad Lib 10.50 The Saturday Mor*ning Picture Show: "Tarzan Goes To* India" starring Jock Mahoney. 12.27 pm Westward News. 5.40 Scoreline. 7.35 Westward News. 12.00 Faith For Life. 12.05 am West Country Weather, Shipping Forecast.

YORKSHIRE

9.00 am Co-operate! 9.25 Spiderman. 9.40 Chips. 10.25 Ad Lib. 10.50 The Saturday Morning Picture Show: "Trader Horn" starring Rod Taylor and Anne Heywood. 10.00 pm The Big *Game—highlights from a top local* game, plus action from two other matches. 11.00 S.W.A.T. 12.00 Superstar Profile.

RADIO 1

5.00 am As Radio 2. 7.00 Playground 8.00 Tony Blackburn with Junior Choice. 10.00 Steve Wright. 1.00 pm *25 Years of Rock (S). 2.00 A King in* New York (S). 2.05 Paul Gambaccini (S). 4.00 Walters' Weekly (S). 5.00 Rock On with Tommy Vance (S). 6.30-7.30 In Concert (S).

RADIO 2

5.00 am Tom Edwards (S). 8.05 David Jacobs presents Star Sounds (S). 10.00 Pete Murray's Saturday Show (S). 12.00 The Magic of . . . Mantovani (S). 12.30 Sport on 2: Grand National Special (12.30, 1.30, 1.55, *2.30, 3.05*); Boat Race (1.00) Oxford University v Cambridge University; League Football (3.55). 5.00 Sports Report including cricket, rugby union, rugby league, squash. 5.45 Classified Racing and Football Results. 6.00 Europe 81. 7.00 Three in a Row. 7.30 Big Band Special (S). 8.00 Eurovision Song Contest (S). 10.00 Hilversum *Greats Radio 2 (S). 11.02 Sports* Desk. 11.10 Peter Marshall with The Late Show (S). 12.00 News. 2.00-5.00 am You and the Night and the Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 Diversions (S). 1.00 pm News. 1.05 French Piano Music (S). 2.00 Play It Again (S). 5.00 Jazz Records Requests with Peter *Clayton (S). 5.45 Critics' Forum.* 6.35 The Organ in the Grand Siecle (S). 7.15 There was a Publisher. 8.00 Russian Opera: "Khovanshchina" Opera in 5 Acts by Mussorgsky (simultaneous broadcast with BBC-2) Acts 1 and 2 (S). 8.50 Interval Reading. 8.55 Acts 3, 4 and 5. 11.00 News 11.05-11.15 Holborne (S).

VHF only: Open University; 5.55-7.55 am and 11.15 pm-11.55 and for students in Scotland, Wales and Northern Ireland: 11.55 pm-12.55 am.

RADIO 4

6.25 am Shipping Forecast. 6.30 News 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; Programme News. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather; Programme News. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Cor*respondent.* 12.00 News. 12.02 pm Money Box. 12.27 Just A Minute (S). 12.55 Weather; Programme News. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Wild*life. 2.30 The House of Mirth (S).* 3.25 International Assignment. 3.55 A Place in Time. 4.40 Profile (Jenny Pitman, Britain's most successful lady horse trainer). 5.00 People and Places. 5.25 Week Ending. 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News. 6.15 Desert Island Discs (S). 6.55 Stop the Week with Robert *Robinson. 7.35 Baker's Dozen (S).* 8.30 Saturday Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 Songs for the Times. 11.00 Lighten Our Darkness. 11.15 Cosmotheka. 11.35 Clubland Heroes. 12.00 News.

TV Ratings

w/e March 29

Week Ending March 29

1	Coronation St. (Wed.) (Gran.)	18.50
2	The Benny Hill Show (Thms.)	17.95
3	This Is Your Life (Thms.)	17.60
4	Coronation St. (Mon.) (Gran.)	16.85
5	Sorry (BBC)	16.80
6	Hart To Hart (ITV)	16.05
7	Hi-De-Hi (BBC)	15.55
8	Crossroads (Wed.) (ATV)	15.45
9	Crossroads (Tues.) (ATV)	15.10
10	Top Of The Pops (BBC)	14.90
11	3-2-1 (YTV)	14.50
12	Family Fortunes (ATV)	14.40
13	Holding The Fort (LWT)	14.30
14	Open All Hours (BBC)	14.25
15	Nature Watch (ATV)	13.35
16	The Professionals (LWT)	12.80
17	The Sweeney (Thms.)	12.70
18	Cribb (Gran)	12.50
19	West End Tales (ATV)	12.20
19	The Super Cops (BBC)	12.20

Figures prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (Nielsen ratings)

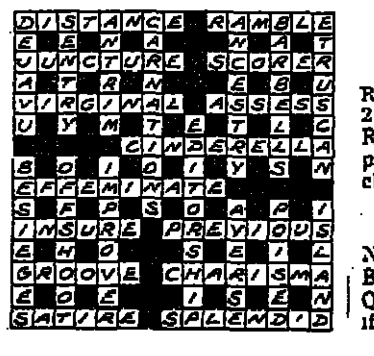
1	Dallas (drama) (CBS)	42.1
2	Sixty Minutes (news) (CBS)	28.5
3	Dukes of Hazzard (comedy) (CBS)	27.1
4	M.A.S.H. (comedy) (CBS)	26.2
5	Jeffersons (comedy) (CBS)	25.2
6	Gone With The Wind (film) Pt. II (ABC)	24.7
7	Love Boat (comedy) (CBS)	23.8
8	House Calls (comedy) (CBS)	23.1
9	Magnum P.I. (drama) (CBS)	22.2
10	Different Strokes (comedy) (NBC)	21.6

SOLUTION AND WINNERS OF PUZZLE No. 4,531

Mr. J. H. Renwick, 97 Southampton Row, London WC1B 4HH.

Mrs. Kathleen Rice, 9 Myrtle Park, Dun Laoghaire, Dublin.

Mrs. H. Starey, 150 Coombe Lane, West Wimbledon, London SW20 0BA.



CHESS SOLUTIONS

Solution to Position No. 365

1 . . . QxP! 2 Q-B8 ch(2 RxQ? RxR Ch mates), N-Q1; 2 Q-B7 (hoping for QxQ? 3 R-K8 mate or for RxR? 3 QxQ protecting the K1 rook), Q-K5 ch! and White resigned.

Solution to Problem No. 365

1 K-K1. If 1 . . . RxP; 2 N-B6, or if R-N3; 2 Q-B5, or if BxN; 2 P-B4, or if PxP; 2 Q-KN7, or if KxN; 2 B-N2, or if N any; 2 N-B3.

COLLECTING

Going up the wall

BY JUNE FIELD

Rack plates and vases based on Charles Dana Gibson's Edwardian beauty character, The Gibson Girl, featured in Louise Irvine's Royal Doulton Series Ware published by Richard Dennis.

IT IS SAID that the Duchess of Sutherland introduced the notion of displaying decorated pottery and porcelain plates on the mouldings along the walls of her rooms, two or three feet below the ceilings. The idea spread to *hoi polloi*, and by 1877 Mrs. Lucy Orrinsmith was writing in *The Drawing-Room—Its Decorations and Furniture* in the "Art at Home" series, that rare old china pieces should always be placed where they can be perfectly seen without being touched.

"For would not one rather fracture a limb than break a friend's old Persian or Chelsea or Nankin?" She was not keen on chiffoniers with cupboards and shelves close to the floor, for they were "unsuitable, dangerous and inaccessible," so hanging cabinets or high corner cupboards were recommended for displaying "tender cups, teapots and plates."

Now collector's plates have become an art form like oils, lithographs and etchings, says Mr. J. Roderick MacArthur, chairman of The Bradford Exchange, Chicago, Illinois, international trading centre in plates. He estimated 21,700 transactions per day in 1979 among distributors, dealers and individual collectors around the world, with the number of plate collectors in the UK estimated at 100,000, which included the 20,000 who entered the market in the past year alone. "The total number does not include tens of thousands more who casually own collector's plates but do not yet think of themselves as 'collectors'."

If you want to know how to evaluate a plate, the *Bradford Book of Collector's Plates* is the 1980 edition of the guide first published in America in 1976. It mainly concentrates on limited edition modern plates, giving a graph of the market from 1960 to 1980, and is claimed as the comprehensive guide to all editions traded on the UK division based at Banbury, Oxon. The book is £5.50 from Sharon Mitchell, publicity officer, EP Publishing, Bradford Road, East Ardsley, Wakefield, Yorkshire.

Details of The Bradford Exchange organisation, which sells plates by direct mail are from Mr. Tim Shepherd, The Bradford Exchange, 2 Haslemere Way, Banbury, Oxon. Their current news letter gives examples of market gains, such as the 1968 Rorstrand Christmas plate from Sweden, bought for £5.95, and now quoted at £295. Although as they warn, *plates can go down in value too*, the same as shares. You need to study their current market quotations which lists high and low prices for various issues.

For those who like to search out their own plates, Louise Irvine's *Royal Doulton Series Ware—Volume 1, Subjects from Literature Popular Illustrators, Historical Characters and Events*, published by Richard Dennis, is invaluable. Series Ware was the brainwave of Charles J. Noke, who joined Doulton at Burslem in 1899, later becoming art director. He devised a scheme for employing a vast number of standard blank shapes including "rack" plates or plaques, as well as vases, trays, jugs and teasets, and decorating them with a wealth of popular imagery.

A series could be three or 20; one of the earliest recorded, depicting ancient Greek chariot races, called the *Ishmian games*, was inherited from the Pinder Bourne range, the firm which Henry Doulton took over in 1878. The book gives background details about characters and events depicted, and lists pattern numbers, shapes, introduction and withdrawal dates.

A variety of printing techniques was used. Transfer printing from engraved plates and lithography in conjunction with hand-colouring, a process known in the industry as "print and tint," and a photographic process was also developed to record famous views, particularly on plates.

The finished effect varied with the colour of the glaze, sometimes pale yellow or ivory, or a dark yellow glaze known as Holbein which created a rich glowing effect; or there was Titanium glaze with its mottled lustrous blue-green colouring, introduced in 1915, or Celadon glaze, another subtle green reminiscent of the old Chinese wares. Whielden ware, a rather coarse earthenware with slip-painted detail, sometimes featured Series ware designs, but refined earthenware or bone china were the most common bodies used. English translucent china, invented by Doulton in 1867, was used for the few remaining rack plate designs.

In the last decade there has been a revival of decorative plate production at Royal Doulton, and the Collectors International plates — featuring paintings by well-known artists —first appeared in 1973, becoming particularly popular with American collectors.

You can look for the Shakespearian Knights' plates, introduced in 1904, and withdrawn in 1928, which includes one of Sir Toby Belch, occasionally with the quotation "Maria, I say a stoop of wine," plus plates *based on subjects by well-known* illustrations such as Randolph Caldecott, Kate Greenaway, and Charles Dana Gibson, whose Gibson Girl became a cult figure. Another Gibson series, "*A widow and her friends*," first introduced in 1901, withdrawal date not recorded, was pirated in the 1960's. "The fakes are badly printed and easily discernible on close comparison with the originals," says Louise Irvine, who is director of the recently formed Royal Doulton International Collectors' Club, whose membership is already getting on for 5,000 world-wide.

Membership costs £6.50, including a year's subscription to a well-illustrated and informative magazine which also gives some idea of what Doulton pieces fetch at auction — everything from butter dishes to pastille burners, as well as plates. The club's inquiry service is based on its extensive archives, and there are special collectors' weekends. For leaflets on the club and its activities, write to Miss Irvine, Royal Doulton International Collectors' Club, 5 Egmont House, 116 Shaftesbury Avenue, *London, W1, who will also* send a copy of the *Series Ware book* for £5.50.

Questions for the Masters

GOLF

BEN WRIGHT

Ray Floyd

Seve Ballesteros

Jack Nicklaus

IT IS almost redudant to write that the U.S. Masters tournament to be played at Augusta National Golf Club next week is fascinating in prospect, since the event has a unique record of producing dramatic finishes. But this year there are more than usual absorbing questions to be answered in Georgia's garden suburb, a former shrub nursery.

Can Jack Nicklaus win his sixth Masters? Can Tom Watson, champion in 1977, finally get his act together and produce four consecutive low rounds, as he has so far failed to do this year in the most frustrating start he has endured in his meteoric career? Can Ray Floyd retain the literally rich vein of form that won him the astonishing sum of $373,900 in the last three weeks? For that matter can the season's other dual winners, Bruce Lietzke and Johnny Miller *retain their similarly brilliant fine edge*? Is the moody and apparently disenchanted Seve Ballesteros capable of recapturing his game and enthusiasm in defence of his title? Or is there another foreign visitor capable of becoming only the third overseas winner—Gary Player, winner in 1961, 1974 and 1978—having been the first?

The dominant factor that will be most influential in producing the answer to these questions is without doubt the new bent grass greens that were seeded last summer after they had been successfully experimented with on the par three course as a replacement for Bermuda grass overseeded with rye. The latter surfaces had proved thoroughly unsatisfactory in that they had none of the lightning speed for which the old Augusta greens had become famous or notorious, depending on the individual player's viewpoint.

It is my opinion that if indeed the new greens have again become as frighteningly slick as they used to be—"putting down a marble staircase"—was how the torture was described, then Nicklaus and Watson will be much favoured, as will the scramblers whose magnificent putting almost alone allows them to remain regularly in work, most notably the 1969 champion George Archer, the *perennial bridesmaid* Ben Crenshaw, and Dave Stockton, not to mention the champion himself, the enigmatical Ballesteros.

I really like the chances of both Nicklaus, whose putting stroke alone has prevented at least one tournament victory on greens that have not been fast enough so far this year for his liking, or practically anyone else's, and Watson. The latter has been destroyed only by an occasional very wayward drive or iron shot, and there is so much more room at Augusta that he is almost certain to regain the confidence in his *game that has been conspicuously* absent this year.

Floyd, who rewrote the record books with his overwhelming eight strokes victory in 1976, would have to be a hot favourite in my book. He is as fierce a competitor as Hale Irwin, another great all round golfer who tied for second place in last Sunday's Sea Pines Heritage Classic at Harbour Town on Hilton Head Island off the shores of South Carolina, as did the consistently excellent optometrist Dr. Gil Morgan, a real dark horse.

Lietzke hits every shot from left to right, which legend has it puts one out of contention at Augusta. That is why Lee Trevino is reputed to have such an undistiguished Masters record. But whereas Trevino is renowned for his low ball hitting—the real reason for his recurring failures at hilly Augusta—Lietzke probably has the highest trajectory of any player on this tour, a tremendous adavtnage. Miller, who is "*lightly raced*" *as they say of* racehorses, could easily improve on the tie for second place he achieved, beaten only by Nicklaus in the epic finish *of 1975*.

Jerry Pate has the skill to win, but one has come to doubt his concentration. If Andy Bean is on song he can bring any course down to the proportions almost of a par three layout with his enormous power allied to a velvet touch. Curtis Strange is palpably the most improved player in the world in 1981, as he was voted here in 1980.

Tom Kite, the present European Open champion, is the best place bet you can make at Auugsta. He has been out of the top six only once since 1975, a terrific record for a small man on a course that favours long *hitters. Calvin Peete has the* best chance ever to become the first black golfer to win at Augusta, and U.S. Amateur champion Hal Sutton the best chance of being the first-ever amateur to win—since Nicklaus was a lad.

What of the 11 foreigners? Australia's Greg Norman finished 15th at Doral in his first start here, and seventh in the Heritage last Sunday. He has all it takes, except experience — this is his first Masters. His compatriot David Graham, now domiciled in Dallas, was fi now domiciled in Dallas, was fifth last year, his best finish in seven attempts. Australian veteran, 43-year-old Bruce Devlin, also tied for second place last Sunday. He was fourth in 1964 and 1968 and fifth in the 1972 Masters. I feel he had *his chances*.

Jack Newton, the Australian who tied for second place last year, is not fit enough after a severe bout of tendonitis. Japan's Isao Aoki is another very dark horse, particularly because of his eccentric but wonderful putting ability. Sadly Gary Player is, in my opinion, fast becoming a thing of the past, while Scotsman Sandy Lyle's future could *hardly* be more promising at the age of 23. But unlike Ballesteros, who will be 24 next Thursday, he is not nearly so mature as a competitor.

Lastly, Tom Weiskopf, who has been runner-up a record-tying four times — sharing that doubtful honour with Ben Hogan — has to win at Greensboro, North Carolina, this weekend if he is not to miss his first *Masters since 1968*.

The 1981 Masters will be all the richer because Gener Sarazen, winner in 1935, and Byron Nelson, winner in 1937 and 1942, have agreed to lead the field off the first tee on Thursday in a tradition first established by the Scots Jock Hutchison and Freddie McLeod.

My short list comprises Nicklaus, Watson, Floyd, Lietzke, Miller, Irwin, Morgan and David Graham — come to think of it — that is really a long list, particularly on talent.

John Cherrington on encounters with serpents

Snakes in the grass

I HAVE always been frightened of snakes since I heard in the Argentine how one young landowner met his end. He was walking with his new bride in the estancia orchard when, stretching his hand to a branch to pick her a nectarine, a snake bit him. The roads were impassible to cars and by the time they got him to hospital by horse cart he was dead.

I used at one *time rather to* fancy myself on a horse. Springing in and out of the saddle in the best Hollywood style. So when some years ago I was helping an Australian farmer to *move some sheep I prepared to* jump to the ground when a gate wouldn't open from horseback. However while halfway down, as it were, I looked to see what my landing was like and saw an enormous snake. I must have performed the most rapid aborted landing of all time, because seconds later I was back in the saddle and galloping away. "What the hell's up." asked Bert, my friend. "There's a bloody great snake there." I said. He though a moment then said "pick it up by the tail and crack it." That I replied "is something I would sooner watch than try and perform myself. show me the way with the first one."

So he rode up, studied the snake, and then got off at a safe distance and instead of doing as he suggested picked up an enormous stone and staggered over to the snake with it. The snake by this time, thoroughly alarmed, decided not to wait and slithered off into the rocks. "What would you *have done Bert if I had been* bitten," I asked him. "That would be easy," he replied, and from a pouch on his belt he extracted a rusty razor blade and said "I would slash your leg open with this and then suck the venom out."

Calling on a friend in the suburb of Perth in Western Australia the other day I was shown a small snake in a jar of spirit. This has stung the family cat, which had only been saved by a visit to the vet, at a cost of $30, say £15, and a good deal of fright and excitement all round, during which the youngest child got bitten by a venemous spider, fortunately not a fatal bite, but enough to make the children keep their shoes on in the garden for a week or so.

Another friend, also in Western Australia reckoned that a *cat had saved her own child* from a snake. She had left the baby in the garden lying on a rug, and hearing the cat scream, dashed out to find the cat dying in a sort of paralytic agony *while the snake was making to*wards her child. She managed to chase it away picked up the child then got a shotgun and killed the snake. Small wonder then when leaving her house I saw a large snake cross the road and ran it over.

I have never actually seen a live adder in this country, though I have seen them dead on the road. But before the war one stretch of downland I rented was infested, and I frequently had sheep bitten by them. These bites were seldom fatal, in fact I can't remember any of them being so, but the sheep used to develop very large swellings particularly around *the heads which the snakes had* obviously attacked when the sheep were grazing.

However, a neighbour was attending his compost heap and picking up a handful of material *felt a multitude of stings*. This was a nest of young adders which he had disturbed and which retaliated in the only way known to them. Taken to hospital he was given the antivenom and recovered but he had a very nasty illness indeed.

The French call the adder a viper and when staying in France once I went with one of my fellow guests, a Pakistani, for a walk while the orthodox Christians were at Mass. Our *way led along the sunny side* of a hedge and all of a sudden my companion who was given to long philisophical discourse broke off and started to beat the base of a bush along the *track. Presently he stopped* and fished out with a stick the battered remains of a viper which was probably sunning itself by the path. "I'm very conscious of snakes," he said and so, I might say, am I.

Where charity begins . . .

GARDENING

ARTHUR HELLYER

VISITING GARDENS adds greatly to the pleasures of travel in the British Isles as the various tourist boards are well aware and do much to promote. Many of the largest and most prestigious gardens are now publicly and charitably owned but they are far outnumbered by the gardens that are still owned and maintained privately. Despite mounting costs and the difficulty of obtaining skilled labour, the latter continue to be opened to the public for the benefit of various charities. Some owners can manage no more than one afternoon each year, others open on several days or even fairly regularly *for several months while their* gardens are at their peak. A few open by appointment only but every one of them, large or small, makes its contribution to the pleasures of visitors who *are now numbered in millions*

At the heart of the private opening of gardens are three charities, two of which are celebrating centenaries this year; Scotland's Gardens Scheme (its *golden jubilee) and Gardeners* Sunday (its silver jubilee). The origin of these two charities was very different and itself underlines the enthusiasms of both garden openers and garden visitors.

Scotland's Garden Scheme really arose from the success in England and Wales of the National Gardens Scheme which was launched in 1927 by the Queen's Institute of District Nursing. The Institute owed its own origin, though not its name, to the conscience and public spirit of a Liverpool businessman, who in 1859 became aware of the great need that then existed for nursing assistance for multitudes of people too poor to be able to pay for it themselves. What he founded, and what eventually grew into the Queen's Institute of District Nursing, was a wholly privately controlled charity which not only brought direct assistance of the kind William Rathbone envisaged to multitudes of people, but also exerted a powerful influence on the public conscience which was in time to stimulate politicians to launch and gradually extend the public service which we take for *granted today*.

Gardener's Sunday had a very different origin and its name commemorates how limited its aims were at the outset. There are two charities which care exclusively for gardeners and their dependants, the Gardeners' Royal Benevolent Society, which looks after old gardeners and their wives or widows and the Royal Gardeners' Orphan Fund which helps the orphaned children of gardeners. Until 1956 there had been no organised opening of gardens on their behalf and to some people this seemed an anomaly since it was professional gardeners who had largely made and maintained *those gardens good enough to* attract paying visitors. So a very modest scheme was approved by the two charities acting in unison to invite garden owners to open their gar*dens on one day each year for* their sole benefit. A Sunday in June seemed to be most propitious and so the last Sunday in that month was designated Gardeners' Sunday

It worked marvellously but it was nothing like enough to satisfy the garden owners themselves many of whom pointed out that, though June might suit many, it did not suit them. So a second date was added, the first Sunday in May, but even that was not enough and now gardeners can open for Gardeners' Sunday on any day that suits them whether it be a *Sunday or a weekday*.

All three organisations have prospered and The National Gardeners Scheme has recently become a registered charity in its own right, no longer tied *exclusively to the Queen's Nur*sing Institute but able to assist other charities of its own or its garden opener's choosing. Scotlands' Gardens Scheme has long enjoyed this broader distribution of money but Gardeners' Sunday necessarily remains exclusively attached to the two gardening charities which brought it into being.

LEGAL NOTICE

No. 001192 of 1981
In the HIGH COURT OF JUSTICE Chancery Division. Re: HARDINGE MACHINE TOOLS LIMITED and The Companies Act 1948.
NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated the 23rd day of March 1981 confirming the reduction of the capital of the above-named Company from £400,000 to £231,390 and the Minute approved by the Court showing with respect to the capital as altered the several Particulars required by the above-named Act were registered by the Registrar of *Companies* on the 31st day of March 1981.
Dated the 4th day of April 1981.

COMPANY NOTICE

NEGIT S.A.

NOTICE TO SHAREHOLDERS

At a Board Meeting of the above *company held in Luxembourg on 2nd* April, 1981, it was resolved that, under the terms of Articles 23 and 24 of the Company's Articles of Association, the Repurchase Company, NEGIT Repurchase Company S.A., would suspend repurchases of shares tendered with immediate effect.

The Board hopes to be able to *make an announcement regarding* an enlargement of the Fund in the near future.

Shareholders are informed that the net asset value of each share was U.S.$10.66 on 27th March, 1981.

The Board of Directors,
NEGIT S.A.,
16A Boulevard Royal,
Luxembourg.

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Refighting the 1960s

THE SUDDEN re-emergence of something like genuine economic debate in the past few days seems, on the face of it, to represent very odd timing. For three *years since the 1978 Budget* the British economic push-me-pull-you, a combination of high Government borrowing and tight restraint on the growth of credit in total—has imposed an appalling squeeze on industry, mainly *by securing a rise of something* like half in the real exchange rate. There was little political outcry; this mistake was, after all, bipartisan. There was also very little academic protest; it was left to a few financial experts to point a different path.

This analysis was hardly noticed in the universities, but was noticed by *Ministers*, and that largely explains the March budget. The Government was *at length attempting* to make its own deflationary policy coherent by applying restraint to public as well as private borrowing. The result has been warmly welcomed in the financial markets, and the economic indica*tors are pointing* at least to some easing of the fall in output, though it is still much debated whether this means levelling out or recovery.

Challenged

Yet it is at this point, when the policies begin to add up, and the damage previously done seems to be easing, that the strategy is suddenly being challenged by all sorts of people who were previously silent. Not just 364 academics, but Mr. Roy Jenkins, whose last act in office was a Budget rather like Sir Geoffrey's, not to mention the nationalised industry chairmen, and for that matter Mr. Benn.

So far as the non-economist is concerned, matters are further confused because a disagreement about forecasts has emerged at very much the same time as the debate on policy; and some of those who support the Government's basic policy approach, such as the London *Business School* and the economists of the Bank of England, are among those providing gloomy corrections to the more buoyant political and stock market expectations about the future.

Risks

The underlying reasons why the market can sometimes fly in the face of forecasting caution are discussed elsewhere in this *issue. The investor should by* all means note that there are always large risks in moving unthinkingly with the herd; but perhaps the economists should be reminded that a major surge in security values is an event in itself, cheapening finance for enterprise and liberating funds for private spending.

The policy debate, however, covers topics far wider and more important than the exact timing and shape of any levelling-out or recovery this year—a matter of absorbing political interest, but well within the usual margin of error of economic forecasting. What the rival academics and politicians are concerned with are the fundamental assumptions which face policy.

Should policy be aimed at monetary or "real" results? Is "reflation" helpful or counter-productive when inflation remains a problem? Are interest rates a fundamental influence on the economy, or a concern mainly for bankers and fund managers? Is it true, as Mrs. Thatcher asserts (and as Mr. Callaghan in his time asserted) that nothing can go right until the inflation problem is solved, or must we learn to live with inflation? These questions will not go away, whether the econ*omy turns this year or next.*

This is hardly the place for a treatise on the fundamental problems of economics; but observers can often learn much by seeing who is on which side of any debate. What stands out in this debate is that the the practical men in the debate—Ministers in office (or whichever party), bankers *and* officials have been driven, often reluctantly, to one side of most of these arguments.

They conclude, after experience, that the Government has only monetary tools and can *control only monetary events*, that interest rates have a large influence on the exchange rate, on industry, and on the Government's own finances, and that these considerations may for long periods over-ride the now traditional wisdom of "demand management." It is those more remote from practical events, *in the more sheltered universi*ties and in political opposition who tend to hold the opposite views.

Floating rates

When any large division appears between theoretical and practically inclined men, it is always worth asking whether perhaps the world has changed since the theories under discussion were formed; *and the answer on this occasion* seems clear. In the 1960s, to which we now seem to look back with such nostalgia, the world was governed by a system of fixed exchange rates, current accounts were expected to balance, and exchange markets were dominated by current settlements.

*We now live a world of float*ing rates, in which oil surpluses of some $300m daily are being invested, and exchange markets are dominated by capital flows. This is a confusing and potentially dangerous world, and we are only slowly coming to understand how it works. We will hardly learn to meet its *challenges successfully by re*fighting the doctrinal battles of the 1960s.

STOCK MARKETS REVIVE

City rejects the dismal dons

By Barry Riley

THREE HUNDRED and sixty-four university economists *can* be wrong, and probably are. That appeared to be the verdict of the equity market this week.

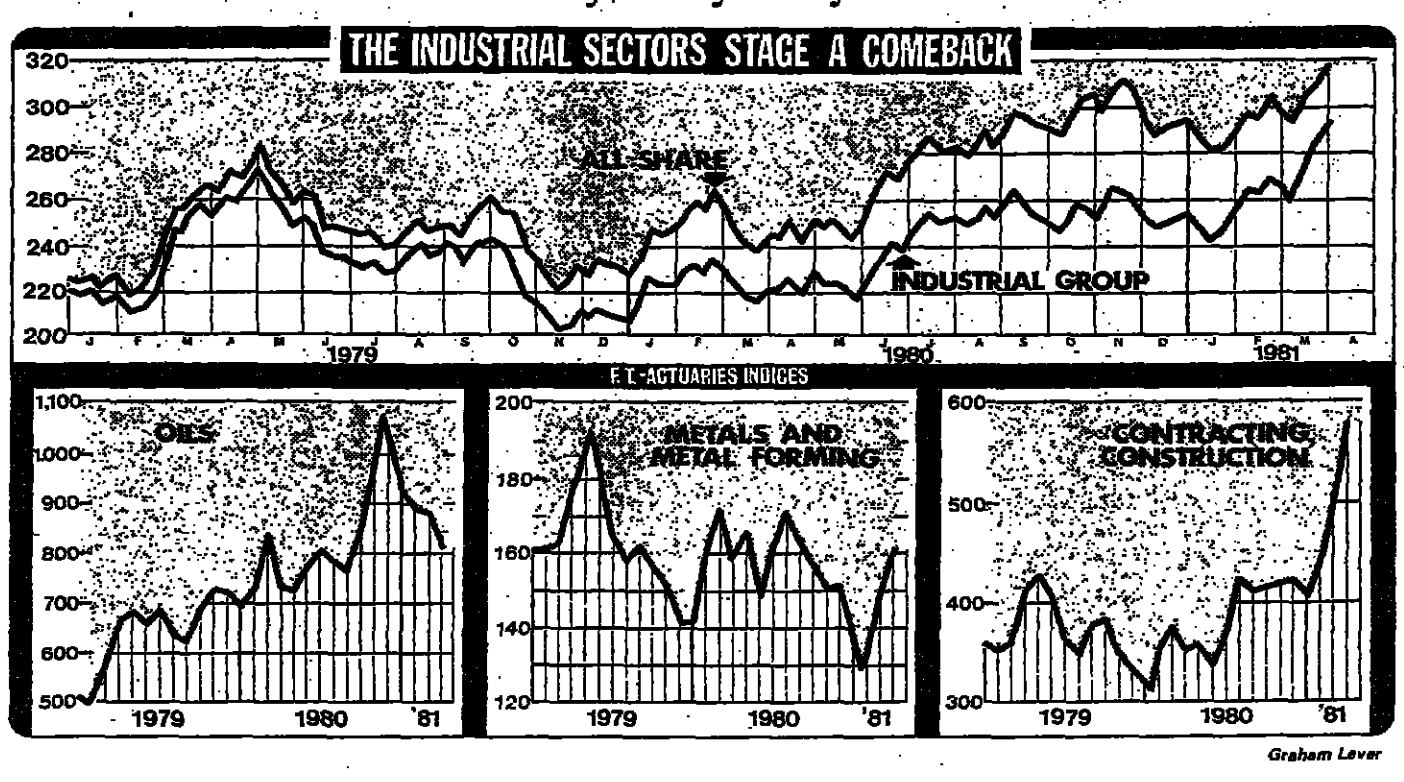
Last weekend the dismal dons preached their *gospel of* despair: the Government's economic policies would send the UK economy into a downward spiral. But in the past five days the FT Industrial Ordinary Index has put on some 20 points to reach a level within striking distance of the all-time high of 558.6 reached on the Conservative election victory nearly two years ago.

The more broadly based and representative F.T-Actuaries All-Share Index, which covers 750 shares, has gone one better. On Thursday it broke through its own more recent peak of November last year to stand in new record high ground.

As so *often*, the City's initial verdict on Sir Geoffrey Howe's tough and uncompromising Budget proved misleading. The day after his speech shares dropped. But in the three-and-a-half weeks since then the All-Share Index has bounced back up by almost 10 per cent.

Moreover the strength has been concentrated in many of the manufacturing and industrial sectors which proved so weak last year while oils and financials were riding high. Thus the F.T. Index, whose 30 constituents are biased towards Britain's *traditional heartland* industries, has outperformed the All Share with a gain of more like 15 per cent over the same period.

The faintest whiff of an industrial revival has reached the City's sensitive nostrils. It does not yet show up in any but the most intangible economic evi*dence, such as the Central Sta*tistical Office's leading cyclical indicators or the Confederation of British Industry's industrial opinion survey, which indicates only that the output slump is slowing down.



Graham Lever

There are, however, several *other* ways of explaining the current strength of share prices.

Interest rates, for example, have a key influence. Since the Budget the yields on long-dated gilt-edged stocks have come down by half a percentage point or more. *Financial institutions* monitor closely the "yield gap" betwen gilts and equities, and the downward shift in equity yields has roughly maintained this margin.

Meantime huge and buoyant savings flows have been channelled to the various savings institutions. In 1980 the finan*cial surplus of the personal sec*tor jumped from £11.6bn to £16.6bn, and the savings ratio topped 15 per cent of personal disposable income.

Cash flows accruing to the pension funds and the life assurance industry exceeded £10bn last *year*. Recently these big funds have been spending heavily on overseas equities and have also been faced with a huge quantity of new Government gilt-edged issues. But they are still keen to invest in *domestic shares.*

Since the Budget, fund managers have been reassessing their plans in the light of the possibility that the strong flow of gilt-edged issues may slow down. This could leave more room for money to be diverted into equities.

And at the same time, the *supply of new equities remains* small. Apart from the Government's £150m marketing of British Aerospace, new issues have remained few and far between. Manufacturing companies, in particular, have felt unable to launch rights issues because, their results are usually too poor.

Something of a minor equity famine has developed at a time of year when the market is traditionally strong. The period between February and May has *historically been a favourable* season, leading up to the hoary old motto "sell in May and go away."

So is this a financial bubble or is it rooted in something more tangible in the industrial economy? Certainly the recent results announced by major companies have been as bad, *or worse, than anybody could* have predicted. In the second half of 1980 groups like ICI, GKN, Lucas and Turner and Newall plunged into losses.

Dividends have tumbled all around. Whereas at the end of 1980 annual dividends on the shares in the All-Share Index were running 12.8 per cent higher than a year earlier, the rise is now down to under 8 per cent and seems set to ease further before the end of the main dividend declaration season.

The message emerging from many manufacturing companies is of a grim battle for survival, involving closures, heavy redundancies, and the threatened loss of overseas markets because of the high level of sterling.

But institutional investors *and brokers'* analysts in the City hear a subtly different view from top industrialists in private. For after years of being cowed by powerful trade unions, industrial managers find that they have the power to push through long needed shopfloor economies and reforms.

"We have one year to make the changes we need," is a common view. "It is a chance to raise productivity which we may never have again."

It is a short step from this to the view that many companies are throwing everything but the kitchen sink into their current poor results. And while 1,000 workers declared redundant this year will involve big one-off expenses, they could represent £7m or more saved in overheads next year, and each year after that.

So although there are few real signs of a pickup in industrial activity yet—and most industrialists do not expect to see one before the final quarter of the year—there are hopes of a giant leap in productivity, and therefore profitability, when the turnround eventually does come.

A lot of such talk, no doubt, is wishful thinking. But it is undeniable that British industry has been through a shock which will mean that it can never be quite the same again. At any rate, investors are nibbling, *not just at the traditional* early recovery sectors like contracting and construction, which are *highly* sensitive to interest rates, but also at the mainstream industrial sectors.

Buyers may reassure themselves with the thought that the equity market is not really *all* that high, allowing for in*flation*. Since the last peak of the 30-Share Index, after all, the Retail Price Index has gone up by 30 per cent.

And many British companies have valuable overseas interests which are worth most if not all of current *share prices. Too* often their British operations have been worth less than nothing in recent circumstances.

That may now be changing. When it does, shareholders will have to be ready for a spate of rights issues. And when that happens, the fun in equities may be largely over.

Why world markets insist on moving up

WALL STREET has survived a *week in which President Reagan* avoided death by an inch with the Dow Jones index still riding above the magic 1,000 level.

A market which has proved almost immune to weak corporate earnings, high inflation and stagnant demand was not to be deterred for long by non-lethal bullets.

The coincidence of a strong stock market and poor economic climate has been puzzling *investors* and brokers since the beginning of the year.

On January 6, the Dow broke through the 1,000 mark for the first time in four years. The following day, car sales figures showed that the U.S. motor industry was in the depths of its worst slump for 20 years.

The paradox is not confined to Wall Street. The Tokyo market has reached record levels this week even though *consumer demand has failed to* revive as fast as expected and the earnings outlook for the corporate sector over the next six months is weaker than had been forecast at the end of last year. OPEC countries have helped to push up prices in this, and other markets by heavy buying.

The West German market is overshadowed by the crisis in Poland, the threat of strikes on the labour front and the prospect *of little, if any, corporate* earnings growth this year. Yet the stock market indices are rising.

In Paris prices rose throughout February and March, though *the market has suffered a slight* setback over the past few days.

The short explanation for the run-up in share prices is a steep fall in interest rates. In mid-December, three month euro-dollar interest rates were nudging 21 per cent. Over the next fortnight they plunged to 15 per cent and have since *fallen as low as* $13\frac{1}{2}$ *per cent*, though this week they were back on a slight rising trend.

Some countries, particularly France, West Germany and Italy, have kept rates high in order to support their currencies, but elsewhere rates have generally followed the U.S. pattern, triggering a rise in stock market prices.

International investors had their fingers badly burned on the bond markets during the late 1970s as *interest* rates rose. With bonds proving at least as volatile as shares, institutions shifted the balance of their portfolios towards the money markets, where the short-term returns were high.

Yet, as interest rates started to fall, fund managers switched out of short-term instruments. Fearing that interest rates might rise again later in the year and cause more carnage *on the bond markets*, they moved into shares.

They argued that falling *rates would themselves* ease pressure on the corporate sector, allowing companies to re-build stocks and recapitalise. Lower rates could also allow a revival of economic activity and preliminary indications suggest, for example, that the U.S. *economy recorded a real GNP* growth rate of around 5 per cent in the first quarter of this year.

As one U.S. analyst puts it: "Investors believe that the economy is entering a new up-cycle. Yet, while the absolute level of the Dow is about the same as 10 years ago, asset *values* and *earnings* have doubled. Stocks look cheap."

The argument that shares look *cheap in relation to their* assets has spilled over into the heavily resource-based markets like Canada and Australia where, after a shake-out early in the year, prices have resumed their upward trend.

A spate of takeover bids in North America and Australia has reinforced the belief that assets can be bought cheaply and has alerted investors to the chance of making a tidy profit in the event of more offers. Both Socal and Seagram have been prepared to offer substantially more than the market price for resource companies in *recent weeks*.

One Canadian analyst explains the takeover epidemic as follows: "The share prices of copper companies may not look cheap now with copper at 80 cents per pound. But the industry is short of capacity and, when the economy turns up, companies will need to find *some more. To make that* economical, copper must rise to at least $1.30. When that happens, *the share prices will shoot* up. So investors and bidders are getting in early."

The growing belief that shares are attractive (and bonds are dangerous) has come at a time when OPEC countries are seek*ing to diversify their portfolios*. U.S. pension funds are starting to buy abroad and institutions generally are awash with cash.

The weight of money has been sufficient to drive up prices in spite of the poor fundamental outlook. In Germany, for example, OPEC countries have been heavy buyers over the past two months. They are expecting *to lock the shares away for* several years by which time the German industrial climate, they hope, will have improved.

One German banker says he tells his middle-eastern clients that they are supporting prices at an artificial level. "We know," they say, "but we have so much to invest."

In *Japan*, OPEC countries bought heavily last year and now the domestic individuals *and institutions who sold the* shares are trying to buy back as interest rates fall. The amount of shares on offer is very small, however, so a slight increase in demand can prompt a sharp rise in the share price.

"People have started to buy anything," a securities market analyst said. "Investors are *crazy*."

John Makinson

Letters to the Editor

Employment

From the Managing Director, Carter Industrial Products

Sir,—Your editorial "Revival, but not for jobs" (March 28) lucidly adumbrated the dilemma now facing the British economy, and, indeed, British society.

A point not made, however, is, as well as the reduction in overmanning, the rapid expansion in the use of methods and equipment (spawned by the *explosion in electronic devices*) which is reducing (due to the much increased flexibility) the need even for skilled labour in many parts of manufacturing industry which previously required it in large amounts *compared with the volume of* production.

The requirement of the future will be for higher standards of intelligence and technical education. This will mean that the threshold of ability required *for employment in industry* will rise and, therefore, the number of those above this threshold will continue to reduce. Unless the remainder can be employed usefully in service industries, the problem seems insoluble. *Perhaps it is!*

G. B. Hill
Carter Industrial Products,
Bedford Road,
Birmingham.

Gas

From the National Energy Officer, General and Municipal Workers' Union.

Sir,—I read Mr. J. Sykes' comments (March 31) on the gasworkers' pay offer with great *surprise*. Mr. Sykes appears to believe that there is a close relationship between costs incurred by the Gas Corporation and gas tariffs.

In fact, the domestic price of gas is fixed by Government at a high level to raise money for the Exchequer through the gas levy. Industrial prices of gas *are fixed by the Corporation* after consultation with the Government by reference to the market price for various oil products.

In any event, the increase in Gas Corporation costs arising from the gasworkers' pay offer is very small compared with *the enormous profits being* made by the corporation and the enormous tax revenue that the Government expects to derive from the gas levy. The GMWU estimates the cost of the pay offer at under £35m. This year the Gas Corporation expects a profit of about £600m. During the next $2\frac{1}{2}$ years the *Government* will take £1.3bn out of the industry as a gas levy.

John Edmonds.
General and Municipal Workers' Union,
Thorne House,
Ruxley Ridge,
Claygate, Esher, Surrey.

Monetarism

From Dr. M. Desai

Sir,—Samuel Brittan (March 30) is not right in believing that the economists who publicly protested against the government policy will bring discredit to economics. The proponents of monetarism in general and of the Government's policy in particular have given the impression on many occasions that the authority of economic science is on their side. A long line of distinguished names is cited in favour of the policy and it is rumoured abroad that to question the monetarist analysis of our ills is to flout the canons of textbook economics if not the principle of rationality itself.

In as much as the prestige of economic science is thus being summoned to justify these partisan policies, it is but proper for practicising economists to distance themselves from them. Thus it has to be stated clearly that while many of us use the model of a market economy for pedagogic purposes, not a few *of us would not subscribe to it* as a blue-print for social reform. The strategy as well as the tactics of current policy leave many economists unhappy since they can see alternatives to the present course. Even those who believe in the efficacy of market-oriented structural re*forms of a* microeconomic variety (though I am not one of them) can sense that the present policy by its inflexibility makes it more difficult not less for such reform to succeed.

When a physicist puts his name to a *statement opposing* nuclear policy he does not thereby bring physics into discredit. Nor does an economist by putting his name to a statement against macroeconomic policy. My only regret is that temporary absence abroad prevented me from joining my three hundred plus colleagues.

Meghnad Desai
(Reader in Economics).
The London School of Economics and Political Science.
Houghton Street, WC2.

Courts

From the Chairman, British Legal Association.

Sir,—Your editorial (March 30) clearly highlights some defi*ciencies in the courts system.* This association has been saying for a long time that we need to simplify High Court procedure and decentralise High Court administration. We also feel there should be far more decentralisation of industrial tribunals.

Your comments however do miss one vital point, namely the starvation of the legal aid fund by successive Governments. Last year I believe the nation spent £77m on legal aid. This compares with £400m spent on biscuits. You simply cannot have a legal system "on the cheap."

You refer elsewhere in your paper to the new system whereby claims in county courts under £500 will almost automatically go to arbitration. This is going to lead to longer trials and a further stretching of an already stretched county court system.

The magistrates courts and county courts could work more *speedily and efficiently if only* the Government were to put funds into providing the public with the *facilities that is better* local courts and more legal aid. The procedural rules in such courts are simple and there is the minimum possible red tape. The system is just getting clogged up with a volume of work with which it cannot cope.

Bruce M. Edgington,
British Legal Association,
29, Church Road,
Royal Tunbridge Wells, Kent.

Bureaucrats

From Mr. R. Beale

Sir,—On March 26, you re*ported the admission of the* Permanent Secretary at the Department of Health and Social Security to the Commons Public Accounts Committee that there was no record of the number of bureaucrats employed in the NHS or any indication as to what they are doing.

My experience, based upon *the re-organisation in 1974* of 2,500-bedded group which I served voluntarily for 17 years, would suggest that the NHS now employs approximately the same number of full-time paid administrators as the *former total of part-time unpaid* members of hospital management committees.

I recall three reports on hospital amalgamations which I was asked to read. I had only one comment, which I passed to the then Secretary of State, viz., that in each case the entire emphasis was upon the administrative advantages of the new groupings and that in all of them the word "patient" did not appear once.

It was stated that central government is concerned only with the best management, cost-effective use of resources and the maintenance of cash limits, yet the Government has no idea who is doing what for the 75 per cent of total NHS expenditure which goes in salaries and wages. What I have seen and heard strongly suggests that those who enjoy the 75 per cent of NHS expenditure in salaries and wages are busily employed in the preservation of that percentage through the closures of hospitals, wards and beds.

When such closures have been announced enquiry has invariably failed to obtain any evidence of a reduction in the administrative force, even when there has obviously been less to administer.

There is only one way to ascertain the cost-effectiveness of NHS expenditure and that is *from the wards upwards and not* from the authorities downwards. The result of that exercise would be astounding.

Ronald Beale.
Chimneys, 27, Oatlands Close,
Weybridge, Surrey.

Flying

From Mr. C. Budd,

Sir,—Strange to tell, I read the March 30 Financial Times while travelling club class with British. At the time I was having difficulty distinguishing we of the "new working class" from those of the leisure class. I had derived no clue from an announcement that those of the leisure class should board first and collect what one passenger called their doggy bags (pre-packed supper in a carrier bag) *as they boarded the bus.* The carpet under our feet seemed no redder than anyone else's and we passed through inspections no more discreet. We did, of course, have the privilege of being "last on," although one could equally well say "longest delayed." My seat needed cleaning and the arm fell off. When I asked the steward why safety instructions were only given in English he said the foreign tapes hadn't turned up.

If it was not for Mr. Rickless's letter I would have been unable to match the promise of British Airway's advertisement *with the reality of my flight.* What he didn't say was that the new club class was in response to much market research. Mind you, the researchers may well have not had the chance to question the likes of Mr. Rickless. But then again it could be that they gave the job to a junior, who mixed it up with a survey *of the local cattle market.* (With apologies to the steward who caught me writing this!)

Christopher J. Budd,
William Morris Yard,
Forest Row, Sussex.

Lloyd's

From Mr. J. Burrows

Sir,—Lloyd's Bill seeks to establish a council of 16 working members, elected by working members, and constituting the committee, together with six external members and three *nominated members. In the* last Parliamentary debate, Sir Graham Page undertook to seek to increase the external members "to at least eight."

Lloyd's will therefore continue to be dominated by the committee of working members. Non-working members, however, will lose their present *right to nominate*, and elect as many of their own representatives as they wish to the controlling body.

If Lloyd's members have to be divided and classified then these divisions must be seen to *be fairly represented. Surely* there should at least be parity of council membership of those representing the 3,794 working members who actually derive their livelihood from their work at Lloyd's and provide the *expert working knowledge, and* the 15,315 external members who provide most of the financial strength

Problems of fraud, malpractice, immunity, divestment and independence of operation, *repeatedly aired by both sides* in Parliament, should then be resolved by such a council.

Lady Middleton and her Association of External Members deserve praise for their efforts to achieve a satisfactory Lloyd's Act to ensure that we continue to have a fine institution to serve the public well.

It is to be hoped that Lloyd's will respond by suitably amending the Bill so that it can be enacted quickly.

J. D. Burrows,
Copyhold,
Bury,
Pulborough,
Sussex.

Ian Hargreaves reports from New York that shares of a new breed of medical entrepreneurs are the toast of Wall Street

America's hot-shot hospital companies

A REVOLUTION is taking place in the U.S. hospital and health care system, but it is a change which owes little to medical and scientific advance. The change is one of ownership, of private v. public enterprise.

Leading the revolution of these medical entrepreneurs are the four companies listed in the table. Non-existent 25 years ago, they are now among the 50 fastest growing large concerns in the U.S. and their shares are some of the hottest on Wall Street.

The reasons for the excitement are obvious. Twenty years ago, the 7,000 hospitals in the U.S. were owned and run either by charities, Federal, State and local governments, universities or doctors. Today, *over 750 of those hospitals are* owned and run by the new breed of hospital companies. The top four alone either own or run 300 of them and are adding new hospitals at the rate of half-a-dozen a month.

Together, the four leading companies represent annual sales of over $4bn and they are growing at a 30 per cent compounded annual rate. Humana, a pushing outfit from Louisville, Kentucky, which two years ago swallowed the number two company in the field, had sales of $1.39bn last year and says it will clock up $3.3bn in 1985.

Humana's earnings per share have grown in the past decade at a stunning 32.3 per cent annual rate, with National Medical Enterprises (NME) and Hospital Corporation of America (HCA) not far behind at 25.4 per cent and 23 per cent respectively.

For this new industry, the election of Mr. Ronald Reagan represents an official political seal of approval to get out there and do the job, a suggestion which the industry, having prepared its ground well in the financial community, does not need to hear twice.

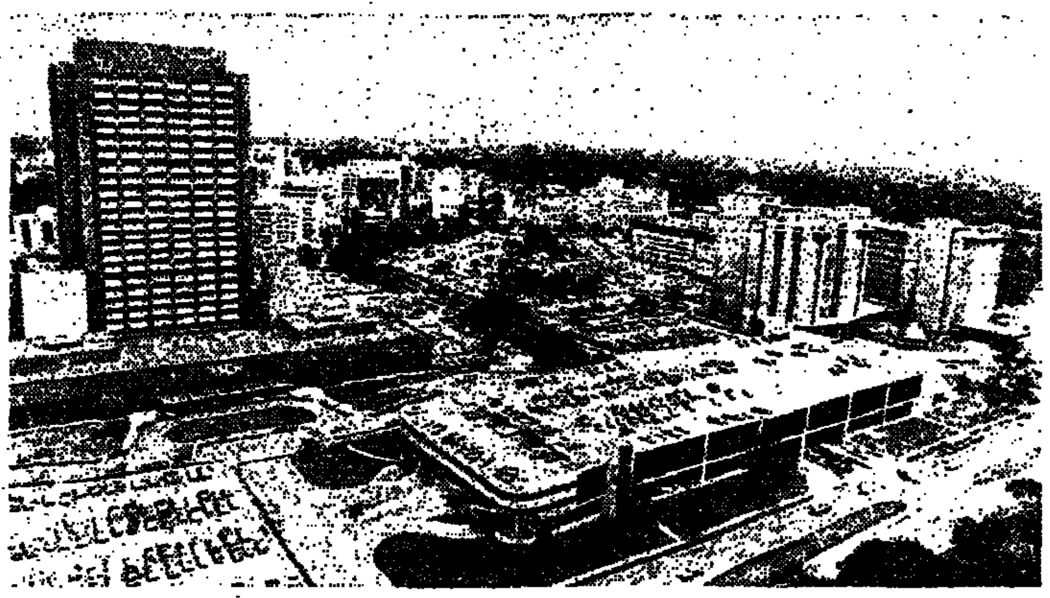
"When we began," says Dr. Tom Frist Jnr., president and co-founder, with his father in 1968, of HCA, "capital was our number one problem, *followed by government and* people problems. Today people is the number one issue (there is an acute shortage of nurses in the U.S.), government is *down to number two and capital is somewhere at number five.*"

In 1971, it cost HCA 1.48 times the going Treasury bond rate to raise capital. Today, it pays a mutiple of only 1.13 and has recently raised large sums in both Europe and the U.S., in spite of the fact that it runs what in most businesses would *be considered* an imprudently indebted balance sheet. Humana cheerfully sustains a debt to equity ratio in excess of three, but goes on freely raising funds, because hospitals today are considered solid collateral, provided they are being run by the new golden-touch bosses.

In the last year or so, even the most cautious of institutional investors have been entering this area, a process of financial respectability which was helped quite a bit some two years ago when Mr. Donald MacNaughton, who had just taken early retirement as chairman of the Prudential insurance company, became chairman of HCA.

The story began in different ways for each company. American Medical, based in Beverly Hills, California, was first into the field, expanding *from being a laboratory services* company. National Medical was the creation in 1967 of a Los Angeles lawyer who saw doctor clients struggling with mushrooming bureaucracy from the Blue Cross insurance programme and the Government's "free medicine" programmes, Medicare (for old people) and Medicaid (for poor people). Humana's story is similar to NME's.

HCA, alone among the majors, was started by a doctor in a room in a hospital and it still works hard on this association and its image as "the most socially conscious of the companies," in the words of Mr. Victor Campbell, its vice-president for communications.



The Texas Medical Centre in Houston: a non-profit-making privately owned complex

FOUR LEADING U.S. HOSPITAL COMPANIES

	Sales for last fiscal year $	Net profits for last fiscal year $	No. of hospitals owned or managed	No. of beds licensed
Humana Corp.	1.4bn	64.6m	90	16,707
Hospital Corp. of America	1.48bn	80.9m	191	28,979
National Medical Enterprises	722m	29.5m	194	24,000
American Medical International	661.7m	32.4m	90	13,750

Last two columns: in the case of National Medical Enterprises include nursing homes and other long-stay facilities.

What the companies have in common is a sunbelt origin, where they have enjoyed expanding population and an easier regulatory climate in which to grow. That growth has *come from building new* hospitals to meet rising population needs and — the ripest field today — taking over from harassed local authorities either the management or ownership (preferably and usually the latter) of small community, general hospitals, thus frequently acquiring a geographic monopoly.

But in trespassing into this *field of the Everyman hospital,* the hospital companies have found themselves, not surprisingly, fending off controversy over their charges, their sense *of social responsibility and,* most critically, their behaviour towards the less well off.

It is a debate which may not be too far away in Britain if, as is quite possible, the American companies—some of them already established in the UK—make the leap from providing specialised private hospitals, mainly in the Home Counties, either *for the rich or for those protected by provident associa*tions, to community hospital ownership.

When it comes to community hospitals, a good case in point is Woodberry, Tennessee, a tiny hill community (population 2,075) where HCA opened an 85-bed hospital four months ago to replace the similarly sized Good Samaritan hospital, which had been curing Cannon County's aches and pains since 1938. The trustees of the old, no-profit hospital invited HCA in when they were faced with the large expense of either modernising or rebuilding the old hospital.

Everyone agrees that the bright new hospital, with its laboratories and operating theatre, cosy, well-equipped rooms and picture windows is a huge improvement on the old one. The nursing staff, too, is considered higher grade.

The disadvantages boil down to two things: charges, which went up by an average of 37 per cent compared with the old hospital to cover finance charges on the building, and the question of the poor.

All of the hospital companies stand firm on the claim that they do not turn any emergency patient away, but there is of course a question of defining *emergency, apart from the* possibility of scaring patients away simply by demanding prior payment, although this practice is not a problem confined to the new hospital companies.

The U.S. system is that every citizen should have private insurance to cover hospital bills, usually through an employer, but that State and Federal governments take care of the old, the very poor or jobless, with certain limitations, through the Medicare-Medicaid programme.

Medicaid patients, however, are unattractive to the hospitals because the Government pays only a fixed cost plus predetermined profit margin, rather than the fee-basis of genuinely private patients. Government bureaucracy can also make the Government a slow payer. Mr. John Bedrosian, executive vice-president of NME, admits: "We don't like Medicaid business because you can't make money at it," which is one reason why the new companies have so far avoided the big city centres dominated by poor blacks and Spanish-speaking Americans.

The other companies avoid such bluntness, but the same thing applies. In Woodberry, Dr. Rodney Bryant, a general practioner, cites local cases where the new hospital has, in his judgment, behaved unreasonably and possibly irresponsibly.

On one recent occasion, Dr. Bryant saw a patient who was suffering from fainting fits because of a low blood count. His Medicaid entitlement (which offers only a certain number of free days in hospi*tal per year) had run out and* the hospital refused Dr. Bryant's request for him to be admitted. Eventually, a whole working day later, Dr. Bryant had a doctor *come from a neighbouring town* to add a second opinion and the man was admitted.

"They don't turn people away if there are two doctors' opinions but if the patient does not have insurance, it's like drawing teeth trying to get them to admit," he says. At the Good Samaritan Hospital, people were treated first and if they could not pay, the hospital (or its other customers indirectly) swallowed the cost. HCA has to do that sometimes, but its bad debts run at less than 3 per cent of sales, a good figure for *any business and 2 per cent less* than the general hospital average.

The companies, nevertheless, feel that the debate has subsided as a result of their own excellent track record. HCA gets about 200 approaches per year from community- or charity-run hospitals interested in the possibility of handing over their burdens.

The doubters' lobby has in any case now been silenced fairly authoritatively by the advent to power of Mr. Reagan and his selection as Health Secretary of Mr. Richard Schweiker, formerly the ranking Republican on the Senate Labour and Human Resources Committee and an ally of the private sector in the industry.

Although the new hospitals stand, in the short term, to suffer some ill-effects from any Reagan attack on Medicaid and Medicare spending (which grew from $26.3m in 1976 to $49.8m last year), they are confident that longer-range goals to encourage more private-sector health insurance through a voucher system will work strongly to their benefit. "The new Administration's approach," says Mr. Bedrosian, is "a plus no matter how it goes."

But the industry's most powerful argument in the debate is its record. The companies have convinced many local communities that by bulk purchasing, tighter control of accounts and staff reductions (the industry averages 2.8 staff per patient compared with an all hospital average of 3.2—fewer but higher quality being the pattern) they have achieved *large savings in operating ex*penses. At the bottom line, the success is apparent in the profit figures, which have been achieved in spite of much lower than nationwide average bed occupancy—59 per cent last year at Humana, for example, against a 75 per cent average. The for-profit hospitals also, unlike their rivals, pay taxes.

"Humana may be the most aggressive and smartest major company in the U.S." wrote Michael Leconey, a senior Merrill Lynch analyst in a *report Humana has not hesi*tated to trumpet since then. Or as Frederick Prunier of Paine Webber Mitchell Hutchins put it: "We envision that during the next decade they will expand into multinational giants."

Piping from the backwoods is an unconvinced Dr. Bryant: "Their philosophy is if you are skating on thin ice keep skating." Right now the ice looks thick enough, with Mr. Reagan turning down the thermostat and Wall Street drowning the performance with applause.

Weekend Brief

Money to the rescue

The girth is broader but the past 10 years have otherwise had remarkably little effect on Robert Maxwell.

He stepped back into the limelight last week as his plans for the survival of the struggling print group, BPC, were unveiled before a packed audience in the Connaught Rooms. His hair was unflecked by grey as he stood chin to chin, eyeball to eyeball with his more persistent questioners.

He has had his share of questions in the past. *Heavily* criticised in a Department of Trade report at the beginning of the decade Maxwell has almost always popped up every time a change of newspaper ownership is mooted.

The former Labour MP has had to wait a long time to get back into the big league. At BPC, he has joined forces with *the former Courtaulds chief,* Lord Kearton—but the plans for increasing productivity at the printing group, the agreements with print union leaders for the hefty redundancies, the increased finance from National Westminster Bank stem solely from Maxwell's ambitious rescue proposals.

It is his money—the £10m *which he will inject from his* privately owned publishing group, Pergamon Press—that forms the cornerstone of the survival bid.

Robert Maxwell and Lord Kearton

Lord Kearton has become quite an admirer. The textile *industry veteran is unstinting in* his praise for Maxwell's "dynamism and energy." "He has been working 18 hours a day, seven days a week since Christmas," Kearton says. "Nobody else could or would have carried this off and, anyway nobody else knows the printing industry so well."

His associates say that his knowledge of Socialist history is still encyclopaedic, his affection for Labour's old heroes undimmed. And he certainly has a hide like an elephant. *Originally,* BPC did everything in its power to push his overtures aside. In its hour of desperate need, the printing group was forced to turn to the only available source of help.

So, Maxwell has returned as the steward of a public company, firing orders, issuing memos and telexes, soothing management egos, defusing union doubts, seeking the confidence of Whitehall and the City.

The problem of managing a *major public company,* still employing over 8.000 people, is before him. His confidence seems unbounded, the task is undoubtedly immense.

Disappearing nuclear symbol

Would the familiar bomb-shaped shell of the prototype nuclear reactor at Windscale have ever became a symbol for all that's most *feared* about nuclear energy if the reactor had instead been thatched with straw? The question is a serious one. It was once proposed that the way to insulate this reactor was to thatch it.

Instead, its designers settled for a more up-to-date kind of insulation — secured in place against the elements on this aptly-named stretch of Cumbrian coast by curvaceous aluminium cladding.

"A super project—it really has done everything it was designed to do," says Dr. Tom Marsham, managing director of the UK Atomic Energy Authority's northern division. Yesterday the Windscale advanced gas-cooled reactor was disconnected from the national grid, as the first step in a long process that may lead to the complete dismantling of a nuclear power plant for the first time in Britain.

The Authority, which designed the reactor and has operated it successfully for 17 years, has a plan for restoring the site to a green field, to confound those who contend that reactors are indestructible.

It may cost £20m and it will certainly take 10 years to do it. Moreover, the process cannot begin for another three years. Although the reactor no longer makes electricity it still has three years work to complete as a testbed for fuel for 14 commercial reactors so far, ach about 20 times as big.

Dr. Marsham has been hatching his plans for dismantling this reactor for the last four years. Soon he expects to try them on his Board.

He will offer them one of two schemes. One is *to hack away* everything that is not radio-active, including some 10,000 tonnes of concrete and 3,000 tonnes of steel, leaving only the reactor itself inside its biological shield. This means stripping it down to a concrete box weighing about 2,000 tonnes and occupying about 12 per cent of the area of the present 33-megawatt power station.

The more ambitious scheme is to clear everything away. Dr. Marsham reckons he will have to cut up and dispose of about 600 tonnes of highly radio-active mild steel scrap, another 40 tonnes of highly radio-active *stainless steel, and some 300* tonnes of highly radio-active graphite.

In addition, he must clear up some 700 tonnes of mildly radio-active *concrete,* and another 300 tonnes of mildly radio-active steel.

He's worked out how to do it, using remotely-operated flame-*cutting equipment.* He's also designed packing cases of concrete, 8 ft cubed, into which pieces of scrap can be packed, buried in concrete and sealed *inside* a steel cladding. These packing cases could then be moved like standard containers for stacking in a "nuclear dustbin" or permanent repository *for nuclear waste.* Dr. Marsham believes he could pack the whole thing into 300 containers and just stack them up in some convenient corner of the Windscale site.

The likely cost of dismantling the reactor completely sounds a lot compared with its original cost of only £12.5m. *Dr. Marsham points out that it* would cost £80m or more to build today, however. And the experiment in dismantling would be spread over 10 years, *starting in 1984 at the earliest.*

Until that prophetic year the UK Atomic Energy Authority's scientists will be very busy extracting the last information *on fuel performance.* The way things are going, this information could widen still further the gap in generating costs that already yawns between *nuclear and coal-fired* electricity in Britain.

Pay up quickly—or else

Buzby is getting very mean. Not that he will tell you so in any cackling television commercial. However, anyone who is slow to pay their telephone bill may find themselves cut off rather more quickly than before.

Since the beginning of this year British Telecom, as the telecommunications side of the Post Office likes to be known, has cut off the time it allows customers to pay their bills. And it is quick off the mark to cut people off should they be tardy.

The reason is simply that Government cash limits have put severe strains on British Telecom's financing, particularly *because of its enormous capital* spending programme on modernising Britain's antiquated telecommunications network. Like many other organisa*tions strapped for cash it has* tightened its credit control.

At the beginning of the year it wrote to its larger business warning them it was tightening *up its billing procedures.* Its statutory consumer watchdog, the Post Office Users National Council, described these letters as "overbearing" and has *pointed out how insensitive* British Telecom has been to the many businesses who face financial problems too, not least because their own debtors are *delaying payments* too.

Given British Telecom's acute financial predicament it would be surprising if it had not toughened up its billing. Other *than its larger* business customers it has not told anyone and its bills are not clear compared with, for instance the London Electricity Board.

British Telecom sends a reminder and final notice combined about 21 days after the first bill—it used to be 28 days. Printed in red it says in large letters "reminder" and in small type it points out that if payment is not received in seven days the phone will be disconnected. It is not dated other than to say "date as postmark."

By contrast the LEB's final notice—also after 21 days—states clearly what it is and is also dated. At highly profitable British Gas, customers have the luxury of a statutory 28 days to pay before getting a final notice which draws attention to the "code of practice" for cutting *people off, which supposedly* ensures that the old or unemployed are protected.

Last year British Gas cut off over 38,000 customers but only after substantial investigation and it has a number of ways of avoiding it through the code of practice which may involve the social services paying or the installation of a coin-in-the-slot meter.

At British Telecom it is rather more abrupt. Seven days after the reminder and final notice is sent it sends an "Important Notice" which says you are about to be cut off. I know I recently received one. But it is no good rushing a cheque into the post immediately, as I did: they still *pull the plug at the telephone* exchange.

Unlike the gas and electricity boards, the cutting off is done remotely at the exchange. And *unless you are identified* by British Telecom as someone urgently in need of a telephone like a doctor or registered disabled you will be cut off. Critics point out that the final notice is undated, looks like a reminder and that the notification of cutting off does not allow time to pay, although it does give a telephone number to ring.

As POUNC points out, it is not going to do much for British Telecom's customer relations.

Contributors:
Ray Maughan
David Fishlock
Jason Crisp

Economic Diary

TOMORROW: Lord Carrington, Foreign Secretary, in Tokyo for UK-Japan Ministerial consultations.

MONDAY: Confederation of Shipbuilding and Engineering Union delegates meet on pay offer and redundancy plans, Newcastle. Wholesale price index (March provisional). Mr. Michael Foot, Labour Party leader, and Mr. Len Murray, *TUC general secretary, attend* TUC rally, Birmingham. European Parliament in session, Strasbourg. Hire purchase and other instalment credit business (February). Lloyd's Register of *Shipping annual report.* Constitutional Conference on Belize opens, Marlborough House, London. Retail sales (February final).

TUESDAY: UK bank's eligible liabilities, reserve assets, reserve ratios and special deposits (mid-March). London clearing banks' monthly statement (mid-March). House of Commons debates youth unemployment. Vehicle production (March provisional). British Rail Property Board financial performance results for 1980. Ross Report on Fish. Coin Street planning inquiry (major redevelopment plan for South Bank, London).

WEDNESDAY: Commons debate on developments in the European Community. Meeting of TUC economic committee. Polish Government officials resume debt talks in London with international bankers. Mr. Peter Walker, Agriculture Minister, at "Pig Farming" lunch, Café Royal, London. Mr. David Steel, Liberal Party leader, speaks at National Chamber of Trade annual meeting, Café Royal, London. Mr. William Rodgers, MP, addresses luncheon meeting of National Cold Storage, Savoy Hotel, London. National Council of Women conference opens, Edinburgh. National Association of Licensed House Managers annual conference, Norbreck *Castle Hotel, Blackpool.*

THURSDAY: General Alexander Haig, U.S. Secretary of State, in London talks with Lord Carrington. TUC conference on unemployment and working time. Central Government transactions (including borrowing requirement) (March). Commons motion on Government expenditure plans to 1983-84. Building pay talks. Mr. John Biffen, Trade Secretary, addresses British Leather Federation lunch, Hyde Park Hotel, London. Mr. Tony Benn, MP, at American Chamber of Commerce lunch, Hilton International Hotel, London.

FRIDAY: Finance Ministers of UK, France, West Germany, U.S. and Japan in London talks. Building Societies monthly figures (March). Finished steel consumption and stock changes (fourth quarter-final). Mrs. Margaret Thatcher opens Marconi Space and Defence Systems factory, Neston, Merseyside. Mr. Michael Foot presents British Press Awards, Savoy Hotel, London.

Global group in Arctic oil strike

ELEVEN YEARS after the collapse of Mr. Bernie Cornfeld's IOS empire, the first Arctic Islands' oil strike has been made on properties previously owned by the Fund of Funds, a former *IOS mutual fund*

Shares in Global Natural Resources, formed in 1970 to take over most of the assets of FoF, soared this week to a new high for the year of 790p on estimates of 140m barrels of recoverable oil from the Skate B-80 well.

Global Natural Resources, through its subsidiary Global Arctic Islands, has a 17.2 per cent interest in the Skate exploration well being drilled from an ice platform on King Christian Island in the Canadian Arctic.

About 3m Global shares are still held by a trustee for the *FoF shareholders* who have not yet claimed their rights to one Global share for each FoF share held. Mr. Bernie Cornfeld is understood to hold a "few" Global shares.

Mr. Frank Beatty, president of Global, yesterday said: "Mr. Cornfeld turned up at a shareholders' meeting in 1977, waving a few shares but we have had no contact with him since."

He said the group could announce news from two other wells near Skate some time before April 15, "as after that date we have to stop drilling because of the change in weather."

Petrocon in loss for year

After redundancy and severance payments of £80,415 and interest charges up from £183,096 to £212,872, Petrocon Group turned in a pre-tax loss of £17,997 last year, compared with a profit of £152,588 in 1979.

The final dividend, like the interim, is omitted — in the previous year an interim payment of 1.1514p was made.

The directors say they believe a sound base has been laid for a return to profitability and dividends. With the benefit of the proceeds from the sale of Ham Baker — which contributed six months' profit of £111,616 in 1980 — and economies that have been introduced, they are confident this can be achieved.

Sales of the group, which manufactures equipment for the oil, petrochemical, process and water industries, eased from £12.01m to £11.97m.

The surplus, which included the associate's profit of £200,301 (£63,943), was subject to tax of £107,614 (£69,793). After an extraordinary debit this time of £392,302, mainly comprising a £318,514 loss on the Ham Baker sale, the attributable deficit came through at £517,913, compared with a profit of £82,795.

Loss per 12½p share is shown as 2.13p (1.4p earnings).

The directors say substantial redundancies were necessary in the manufacturing division, which turned in a loss of £238,448. They hope to see a return to profitability in the current year.

The Warrington and Redditch warehouses of the steel stockholding and distribution subsidiary, Flotec, were closed and space reduced at the two remaining sites. The workforce was also reduced.

Scottish TV rises 18.3%

ON turnover, mostly advertising, ahead some 50 per cent from £18.37m to £27.57m, pre-tax profits of Scottish Television improved to £2.03m for 1980, *compared with £1.72m, a rise of* 18.3 per cent.

Since the beginning of the current year, the rate of advertising growth has slowed down, the directors state, and with new contract obligations—in particular those for Channel 4—considerable pressure will be exerted on profits in 1981 and the following year.

At halfway, profits of this Glasgow-based concern rose *slightly to £1.16m (£1.07m).*

Sir Campbell Fraser, chairman, says that sales of programmes to the network and elsewhere exceeded £1m for the first time, "and the year ended on a high note with the award of a new contract for the next eight years."

He adds that costs also rose substantially mainly on programme expenditure and related staff costs.

Earnings per 10p *share* increased to 19.51p (17.24p) and the dividend is lifted to 5.95p (4.9p) net with a final payment of 4.55p.

After tax of £1.02m (£825,165) and dividends £308,049 (£253,712), there was a balance of £701,494 (£638,737) remaining — this is reduced to £385,000 (£267,000) on a CCA basis.

	1980 £	1979 £
Turnover	27,573,167	18,385,522
Advertising	26,341,149	17,991,113
Prog. mag. inc.	229,314	100,820
Pro. sales, sers.	1,002,704	273,589
Pre-tax profit	2,031,360	1,717,614
Tax	1,021,817	825,165
Net profit	1,009,543	892,449
Dividends	308,049	253,712
Leaving	701,494	638,737

Martin Black falls further into loss

INCLUDING EXCEPTIONAL debits of £260,000, Martin-Black, wire manufacturer, has suffered increased losses for 1980 of £914,000 against £445,000. And, as last year, there is no dividend.

Deficit at the interim stage was virtually unchanged at £102,000, compared with £109,000.

The directors state that the low levels of activity which prevailed in the industry during the *second half have continued in* the first quarter of the current year. But the company has maintained its traditional share of markets and measures already taken have ensured that break-even *points in the various opera*tions have been substantially reduced.

Combined with strict control of stocks and debtors, this has enabled the group to operate comfortably within the cash limits authorised by its bankers, the directors add.

The exceptional debit for the year comprised £160,000 in respect of assets written off as a result of a reassessment of asset lives, and an additional £100,000 provision for bad debts.

Turnover was £15.3m against £14.03m, and after a tax credit of £454,000 (£476,000) and an extraordinary *debit of £161,000* (nil) the attributable loss came out at £621,000, compared with a £31,000 profit—loss per share is 7p (0.5p earnings).

CCA loss is given as £1.79m.

*The directors say that manu*facturing in the UK in 1980 proved to be "singularly unrewarding." The recession in the home market meant a severe reduction in demand for the company's products, particularly in the second half.

The group maintained its export markets in spite of the strong pound and the general world recession, but only by substantially reducing its prices in sterling terms.

The drive to increase productivity and control costs has been successful and is continuing, they state.

Ramar sees recovery to profit by year end

Although Ramar Textiles suffered a taxable loss of £149,611 for the half year ended November 30, 1980, compared with a £200,014 surplus, the company is now trading profitably and directors anticipate that the full-year's results will show a profit.

For the 57 weeks ended May 30, 1980, this ladies' and children's *clothing* manufacturer and distributor turned in pre-tax profits of £115,858 (£285,400 for previous year).

First-half turnover slipped from £7.1m to £6.53m.

The directors say that trading conditions were the most difficult experienced in the industry. During the period borrowing costs remained extremely high to reduce its stocks in order to and the company felt it expedient conserve resources.

The financial benefits from this reduction will be experienced in the second half, directors state.

Despite the redundancies, referred to in the last annual statement, the company has been able to increase factory production, although on reduced margins.

High interest rates reduce Sharna Ware earnings

The strong pound and high interest rates reduced 1980 pre-tax profits of Sharna Ware, manufacturers of plastic products, from £1.07m to £393,096 despite increased turnover of £15.87m (£15.11m).

But the directors view the future with confidence and are recommending a maintained final dividend of 2.0691p, making a net total of 3.4691p (3.3291p). Earnings per 20p share increased from 48.64p to 50.94p.

There was a tax credit of £614,460, against a charge last time of £111,184, lifting the net surplus from £962,067 to £1m.

After the first six months, pre-tax earnings had fallen from £132,184 to £97,387.

The chairman says all the group's trading companies were profitable during the year. And the cash-and-carry division showed some improvement.

But the impact of the strong pound together with high interest rates at a time when the manufacturing division was com*mitted to new capital investment* reduced margins.

The balance sheet remains strong even though margins are still under pressure.

A new factory is now in production, reports the chairman, and each company is well placed to take advantage of an upturn in business activity.

And he says the directors are constantly seeking ways to strengthen the position of the group through internal means or by acquisition.

REPORTS AND ACCOUNTS IN BRIEF

COUNTY BANK (wholly-owned subsidiary of National Westminster Bank Group)—*Pre-tax profit* for 1980 £6.87m (£7.31m), tax £3.44m (£3.81m), dividends £0.58m (*£0.69m*), to reserves £2.85m (£2.82m). Acceptances for customers £32.75m (£14.76m), advances less provision £342.74*m* (£296.98m).

SANDERSON MURRAY AND ELDER (HOLDINGS)—Sales for half year to December 31, 1980 £2.44m (£2.22m), pre-tax loss £22,000 (£31,000 profit), tax £8,500 (£7,000). Directors state there is not yet any overall improvement from which to anticipate a profit in the second half.

METAL INDUSTRIES (member of Thorn-EMI group)—Turnover half-year to September 30, 1980, £68.53m (£58.59m). Pre-tax profit £2.64m (£2.02m). Tax credit £198,000 (charge £531,000), *profit* attributable to ordinary *£2.77m* (£1.48m).

EDWARD LE BAS (Foundation engineer)—Final dividend for 1980 0.963p making 1.962p (same). Turnover £16.95m (£16.54m), pre-tax profit £279,458 (£246,576), tax credits £979,989 (£70,651), attributable £1.25m (£264,009), extraordinary credits £124,607 (£1,570), earnings per share 49.29p (10.11p). Company is a subsidiary of Burch Holdings.

EMESS LIGHTING (seller of own and imported decorative lighting fittings and equipment leasing)—Results for half year to December 31, 1980: turn*over £1.35m (£941,860); pre-tax profit* £161,964 (£170,444): tax £19,308 (£36,155): interim dividend 2.75p net (2.5p) per 25p share. Group produced resilient performance under difficult market conditions and expects to continue trend of increasing market share during remainder of year—reorganisation of Poole Lighting since acquisition is proceeding satisfactorily and Poole is expected to contribute to profits during the second half of the year.

PADANG SENANG RUBBER (rubber and palm oil production)—Pre-tax profits for year to September 30, 1980, were £180,671 (£150,242). Tax £89,200 (£71,000). Earnings per share were 1.9p (1.6p adjusted for one-for-one scrip issue). Net total dividend is 1.1p (1p adjusted).

RIVOLI CINEMAS (entertainment and ancillary activities and investment holding)—Pre-tax profit for half-year to October 5, 1980, £80,488 (£68,770). *Tax £30,984 (£25,862). Earnings* per 50p share were 24.7p (21.5p). Company has "close" status.

DIXOR-STRAND (manufacturer of cosmetics).—Results for 1980: Turnover £882,026 (£433,227); pre-tax loss £383,107 (loss £252,446). Tax £2,924 (nil); extraordinary items £19,520 *(£8,260). No dividend (same).*

STEETLEY COMPANY (minerals, chemicals and high temperature ceramics)—Results for 1980 reported March 20. Shareholders' funds £136m (£131m), net borrowings down £4.77m (up £25.96m). Cash and short-term deposits £2.45m (£1.91m). Chairman says resources available will enable growth to be restored when economy recovers. Meeting, Great Eastern Hotel, EC, April 23 at 11.30 am.

AQUIS SECURITIES (property investment, development and hotels group)—Results for 1980 reported February 25, 1981. Shareholders' funds £11.16m (£4.4m); cash at bank on deposit and in hand £4.23m (£83,064); bank overdrafts (secured) £63,076 (£455,209); net proceeds from disposal of fixed assets £8.75m (£149,000). Chairman says the loss sustained by company's *investment, Lex Building, in Rue de la* Loi, Brussels, has been substantially reduced, and with exception of one suite has been fully let. Meeting, Clarendon Court Hotel, Maida Vale, W, April 24, noon.

UNITED STATES DEBENTURE CORPORATION (investment trust)—Results for year to January 31, 1981, reported February 19. Investments £97.9*m* (£87.35m); bank balances £358,989 (£218,603); shareholders' interest £91.7m (£81.3m). Meeting: Austral House, Basinghall Avenue, EC, May 20, 3 pm.

CHANNEL ISLANDS AND INTERNATIONAL INVESTMENT TRUST—Results for year to December 31, 1980, already known. Investments, quoted at cost, £5.52m (£4.69m), market value £6.83m (£5.86m); shareholders' funds £4.53m (£3.75m); bank balances £546,310 (£493,230); debtors £18,111 (£46,434); *creditors £24,535 (£20,529);* bank overdraft nil (£20,554). Meeting, St. Helier, Jersey, April 22, at noon.

H. WOODWARD AND SON (commercial vehicle distributor and body builder)—Results for year to September 30, 1980, reported March 17. Fixed assets £932,130 (£878,943); stocks and work in progress £2.68m (£2.26m); debtors £1.49m (£1.81m); cash and bank balances £61,308 (£82,190); creditors £1.26m (£1.28); secured bank overdraft £1.05m (£992,609); shareholders' funds £2.63m (£2.37m). Meeting: Formby, April 24, 3 pm.

PARAMBE (investment holding company)—Results for year to December 31, 1980: Turnover £172,260 (£116,311); net profit £34,237 (£20,750) after tax of £9,780 (£8,406). Earnings per 10p share 0.91p (0.55p). Final dividend 0.4p (0.5p) for a total of 0.6p (0.5p). Board says that since the year end *there has been further improvement in* the value of the investment portfolio, and encouraging progress is being made by the new art dealing subsidiary. Extraordinary credits of £192,665 (£18,487) relate to realised investment gains, including £140,000 on the sale of the Italian gas interests, and Sri *Lanka compensation.*

ALCAN ALUMINIUM (UK)—Results for 1980, reported February 27, 1981. Shareholders' funds £110.08m (£109.34m), net working capital £70.65m (£63.32m), loans £93.51m (£80.47m). Group is now wholly owned by Alcan Aluminium of *Canada. Meeting, Chesterfield Hotel,* London, W, April 23, at 2.30 pm.

AFRICAN LAKES CORPORATION (tea and rubber planter)—Results for year to July 31, 1980 reported February 2, 1981. Shareholders' funds £4.12m (£4.02m); investments £146,591 (£221,582); bank balances and cash £96,703 (£129,385); hire purchase and leasing finance £577,087 (£178,626); bank overdrafts £670,658 (£450,779); loans £14,794 (£27,924). Meeting, York Place, Edinburgh, April 23, 11.30 am. EGM to approve increased borrowing powers: same day 12.10 pm.

Burgess plunges in first half

THE SEVERITY of the economic recession is blamed by the directors of Burgess Products Company (Holdings) for a plunge in pre-tax profits to £112,000 in the first half to January 31, 1981, *compared with £439,000 for the* corresponding period.

Although considerable steps have been taken to mitigate the continuing effects of the recession, they do not expect any *substantial improvement* in the second half.

Consequently, the interim dividend is halved to 0.5p net—last year a total of 4p was paid from profits of £1.24m.

Turnover of the group, which is mainly engaged in light electrical and accoustical engineering, fell from £11.62m to £10.96m in the six months.

After tax of £27,000 (£41,000) the net surplus came through at £85,000 (£398,000). Exchange losses of £101,000 (£36,000 credit) have been charged to reserves.

Arcolectric £233,867 in the red

A SECOND-HALF loss of £378,024 compared with a *£179,667 profit has left* Arcolectric (Holdings) with a deficit of £233,867 for 1980 at the pre-tax level, against a *£214,853 surplus.* Sales of this electric switches and neon signal lamps manufacturer dipped slightly from £4.13m to £4.04m for the full period.

And there is no final dividend, leaving the total at 0.23p (0.49p) net per 5p share.

Loss, which is increased to £378,078 on a CCA basis, was before a tax credit *of* £307,880 (£136,989 charge) making a net profit of £74,013 against £77,864.

The amount taken to reserves was £63,171 (£54,766).

Associate boosts L. Ryan

Plant hire contractors and coal factors L. Ryan Holdings returned to the black in 1980, with pre-tax profits of £422,000 compared with a loss of £87,000. Turnover was down from £6.13m to £5.51m.

But the Cardiff-based group is again not paying a dividend.

The pre-tax surplus included associated earnings of £376,000, against a loss of £436,000. After a tax credit of £155,000 (charge £89,000), earnings per 5p share were 1.78p compared with a loss of 0.54p.

After current cost adjustments, the surplus was turned into *a pre-tax loss of £96,000.*

Humboldt cuts placing to 12m shares

THE weakness of Canadian oil share offers was again highlighted yesterday when Humboldt Energy, a drilling fund conceived by Mr. Robert Lamond of Calgary, revealed that it had placed only 12m of the originally planned 14m C$1 share units on offer.

Mr. Peter Mackenzie-Brown, of Humboldt's manager Aurora Energy Fund, said last night that the reason for the shortfall was "the Canadian oil market has been soft." Mr. Mackenzie-Brown explained this had led Humboldt Energy to issue a seven page "amendment" to the original prospectus.

"We weren't able to sell the *issue of 14m shares and so we* reduced it to 12m," he explained.

Around 70 per cent of the issue was sold outside Canada. Application has been made for listing on the Vancouver and Montreal Stock Exchanges, following which dealings in the units could start under Rule 163(1)(e) in London.

Humboldt is the fifth company out of Mr. Lamond's Calgary stable to seek money in London. Others were Shackleton, Europa, Hansa and Appian.

CARCLO SALE

Carclo Engineering Group has exchanged contracts for the sale of land and buildings known as Moorland Mills East, Cleckheaton, to Samuel Birkett (a subsidiary of IMI).

BRIDGEND PROCESSES

Bridgend Processes has acquired the machinery, stock and goodwill of the plastic injection moulding business of Kulicke and Soffa (UK) for £38,450 cash.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Amax ......2nd int.‡	60	June 1	60	—	240
Arcolectric	Nil	—	0.26	0.23	0.49
Armitage Bros.	24.5	—	24.5	24.5	24.5
Breedon and Cloud Hill	5	April 5	5	7.625	7.5*
Burgess Prods. ......int.	0.5	May 22	1	—	4
James Dickie	1.5	—	2.44	3.94	4.88
Dinkie Heel	0.25	—	0.25	0.5	0.5
Chas. Early	1.49	July 1	1.9	1.8	2.21
Elys (Wimbledon)	3.85	—	3.5	4.85	4.5
William Jacks	Nil	—	0.7	0.35	1.4
Stanley Miller	0.8	—	0.8	1.4	1.4
N. Brit. Canadian	3.05	June 8	2.75	4.8	4.25
Petrocon	Nil	—	Nil	Nil	1.15p
Scottish TV	4.55	June 6	3.68	5.95	4.9
Sharna Ware	2.07	May 15	2.07	3.47	3.33
George Spencer	Nil	—	2.26	0.8	3.06
Tate of Leeds	1.25	May 15	1.25	1.25	1.25
W. A. Tyzack ......int.	Nil	—	0.5	—	1.78
E. Upton	Nil	—	2	0.5	2.75

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ U.S. cents throughout.

BIDS AND DEALS

Bentley offer for London & European

Bardsey, the quoted property company in which Mr. John Bentley has a large interest, has made a bid worth £5.7m for London and European Group, the property investment and dealing company. The deal has the approval of the L and E directors and certain shareholders, who have undertaken to accept in respect of 45.88 per cent of the capital.

Bardsey's shares fell 2p yesterday to 28p while L & E's shares were suspended ahead of the announcement at 44p.

Bardsey is offering £17 in cash and 112 new ordinary shares for every 100 ordinary shares of 10p each *of L and E.*

Singer and Friedlander, the merchant bank, will make a *separate cash offer to purchase* for 25p per share, free of expenses, shares which accepting holders will become entitled, on the offer becoming unconditional.

The cash offer will value L and E at 45p per share and the whole capital at £5.3m.

Mr. John Bentley, Bardsey's chairman, described the acquisition as "just a natural fit."

Bardsey has a number of operating subsidiaries involved in property and industrial activities. Its Signgate Properties company is engaged in commercial and residential property investment and dealing.

The principal industrial subsidiary is Hensher (Furniture Trades) which was acquired in *August 1980 and operates from* four UK factories in South Wales, Somerset and Lancashire, and two overseas in Fiji and Barbados.

L and E has commercial and *residential* property investment development and dealing interests, and industrial interests involved in the merchanting of tools equipment and protective clothing, plant hire and mooring and lifting equipment for the marine and offshore oil industries.

L and E holds a 12.5 per cent stake in Newman Industries, which yesterday passed its preference dividends.

Mr. Bentley said yesterday: "We will have a look at the Newman Industries stake. It is an interesting situation and our review will not necessarily be with the intention of selling the shares."

L and E's last reported profits before tax for 1979 were £1m compared with *£913,000*, on turnover of £9.2m.

For the six months ended June 30, 1980, it reported pre-tax profits of £407,000 compared with £441,000.

For the six months to June 30, 1980, Bardsey made pre-tax profits of £82,413 compared with £1,057, on turnover of £1.29m.

It is intended that the preliminary figures of both companies for their financial years ending 1980 will be included in the formal offer document.

Savoy battle moves to the High Court

TRUSTHOUSE FORTE'S battle for control of the Savoy Hotel group moves to the High Court next week following an adjournment of the company's application for an order to convene separate meetings of Savoy shareholders.

THF's application to call meetings of the Savoy "A" and "B" shareholders, under section 206 of the Companies Act, was heard in private yesterday by the Registrar of the Companies Court, Mr. John Bradburn, who adjourned it to be *dealt with by a judge.*

Such adjournments by the Registrar are not uncommon. They quite often occur because a case is considered important enough to be dealt with at a *higher level.*

The case is expected to come before Mr. Justice Nourse on Thursday. The hearing will be in private. But there is a possibility that because of the *public interest in the matter,* the judge will give his judgment in public.

The Savoy board, which is bitterly opposed to the bid, has described THF's plan to call separate meetings of shareholders to vote on the bid as "fundamentally objectionable."

Under the Savoy's split capital structure, the "B" shares have considerably more votes than the "A" shares. The success of THF's court application is regarded as crucial to the success of its bid.

Through a large *holding* of the high-voting "B" shares, the directors and associates of the Savoy control up to 45 per cent of the votes of the company. But the widely held low-voting "A" *shares control 51.5 per cent of* the company's votes and it is through these that THF is attempting *to secure control* of the group.

A 34.6 per cent block of the "A" *shares held* by the Kuwait Investment Office have already been assented to the THF offer. A further 15.4 per cent is owned by funds managed by a subsidiary of S. G. Warburg, advisers *to THF.*

Savoy has described THF's scheme as a "device whereby only a part of the Savoy's capital . . . would be used as a means of transferring control of the Savoy to THF at a price which is wholly inadequate in relation to the company's real value."

THF is offering a choice of shares or 165p in cash for each "A" share or 975p for each "B" share. The cash offer values the Savoy capital at £58.4m. Both the Savoy and the THF *shares were unchanged at 200p* and 225p respectively yesterday.

RECEIVER SELLS WHITELEY ASSETS

H. Weidmann of Zurich, an international manufacturer of electrical insulating material for the transformer industry, has acquired the operating assets and business of B. S. and W. *Whiteley from the receiver.*

Whiteley—an electrical insulating pressboard manufacturer—went into receivership in February because of "a serious adverse financial position." In the first half of 1980/81 it reported losses of £266,296 after profits sharply lower from £356,004 to £187,344 in 1979/80.

Weidmann had held a 9.94 per cent stake in the company and, with two other Swiss shareholders, accounted *for* almost 30 per cent of Whiteley's capital.

Mr. Guy Parsons, of Peat Marwick Mitchell, says it is Weidmann's firm intention to run the business in its present form on a going concern basis.

NCC DISPOSES OF HOLDINGS IN WEEKS

NCC Energy has placed with brokers to institutions through the market 452,415 Australia *registered ordinary* shares of Weeks Petroleum, 820,440 Australia *registered* Weeks preferred ordinary and 400,000 Bermuda registered Weeks ordinary.

The total consideration is £8.35m showing an extraordinary profit of £4.5m.

No capital gains tax should be payable on these sales due to tax losses available in the NCC Group. NCC continues to hold 67,145 Bermuda registered Weeks ordinary and 10,000 Bermuda registered convertible preferred ordinary.

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Offer for Denbyware extended

CROWN HOUSE has extended its contested offer for Denbyware until April 23, despite receiving only nominal acceptances of its offer.

Crown yesterday revealed that its offer—which Denbyware has described as "impudent"—had been accepted by five shareholders representing 2,156 shares. Crown—which already has a 29.98 per cent stake in the company—is offering 80p per share cash for the rest of the shares.

Crown has sent a further letter to Denbyware shareholders urging them to accept its cash offer. In his letter Mr. *Patrick Edge-Partington, the* chairman, says that Denbyware's failure to make a profit forecast suggests that "Denbyware's tableware interests will show significant losses for the year *ended March 31, 1981."*

He also asserts that the absence of a specific dividend forecast "indicates that the directors of Denby are likely yet again to recommend a substantial cut in dividend."

OFFER FOR OCEANA

Oceana Development Investment Trust has been informed that on April 3, 1981 Mr. J. H. C. *Wilson, Mr. K. C. Whyte, Mr.* R. K. J. Winkler, Mr. C. I. Von Christierson, Mr. I. F. de Ujatussy and Mr. W. N. B. Inrie acquired, at R1.55 each, 330,000 ordinary stock units in the com*pany, amounting to 63 per cent.*

Under the terms of the City Code, Laurence, Prust and Company, on behalf of the offerors, are making an offer in London and Johannesburg for all the ordinary stock units in Oceana other than those already owned by the offerors.

The offer is R1.55 cash for Johannesburg-registered stock and the sterling equivalent at the commercial Rand rate of exchange, on the latest practicable date before the printing of the offer document, for London-registered stock.

HAWTHORN LESLIE

The offer by Starwest Investment Holdings for R. W. Hawthorn Leslie has been declared unconditional and remains open.

Starwest now holds 88.4 per cent of both the new ordinary and deferred shares, and 91.3 per cent of the preference.

HAWKER SIDDELEY INDIA EXPANDS

Hawker Siddeley Switchgear, a subsidiary of the Hawker Siddeley Group, has taken a 40 per cent interest worth about £84,000 in S and S Power Switchgear of Madras, India.

S and S Power has been mak*ing under licence products from* two Hawker Siddeley companies, pantograph isolators from Brush Power Equipment, of Bridgend, and high voltage and medium voltage arc fuses from Brush *Fusegear, of Burton on the* Wolds, Leicestershire.

Following the deal, the company will also manufacture vacuum switchgear to the designs of two other group companies: Brush Switchgear and South Wales Switchgear.

S and S Power Switchgear has already obtained an order worth £3.4m for 515 vacuum circuit breakers from the Andra Pradesh State Electricity Board.

S and S is to extend its factory to assemble the equipment in*corporating some components* from the UK.

AUCHINLECK LIFTS BOND STREET OFFER TO 44P

Auchinleck Investment Co., a private investment holding company, has lifted its offer for Bond Street Fabrics, the knit*wear manufacturer, from 40p to* 44p per share and this has been accepted by Grovebell the group's largest shareholder.

Grovebell — which has a 28.9 per cent stake in the company —last month launched its own bid for the company worth 28p per share. This was outrightly rejected by the Bond Street board which last summer fought off an attempt by Grovebell to have five additional directors appointed to the board.

The offer by Auchinleck — which has four textile companies based in Scotland—values *the Bond Street capital at £1.2m.* The company's shares were suspended at 34p on March 12.

UK offer for U.S. Flexi-Van

FLEXI-VAN, a New York-based container and transport equipment company, has accepted an *offer from a group of UK inves*tors headed by Dr. Joseph Elmaleh. The deal is worth US$35 a share, giving it a total value of about $200m.

The proposal will be submitted to stockholders and could be completed by August.

Flexi-Van says that the investors intend to form a company to effect the acquisition; and they will give present Flexi-Van senior management an opportunity to subscribe for up to 10 per cent of shares to be issued by the new company.

WILKINSON SWORD HAS 80% OF SCRIPTO

Wilkinson Sword Inc. now holds 80 per cent of Scripto Inc's shares following purchases made under its previously-announced *tender offer for Scripto shares* and a private transaction.

Wilkinson said in New Jersey it has purchased 1.3m shares of Scripto Inc. under its tender offer, and acquired another 59,000 *shares at $2.375 a share* from an unidentified holder.

UNIFLEX/PARKVIEW

Uniflex Holdings has sold its *entire shareholding in Parkview* Furniture to the directors of that company.

Results due next week

Standard Chartered Bank returns to the limelight on Tuesday with its preliminary figures. *At the time of revealing its* merger talks with the Royal Bank of Scotland, Standard Chartered announced 1980 profits of £232m, against £169.8m. The dividend for last year will have *risen* 25 per cent to a total net of 32.5p.

Thursday brings preliminary numbers from Bowater, which are expected to fall around £10m below last year's £91.3m pre-tax profit. The American side of the business did well last year—demand was high and prices were increased. But the UK experienced the endemic poor volume and closure costs. International trading has also posed a *question mark, possibly losing* money on cotton. Given the lack-lustre results, shareholders can expect a slightly shaved or maintained dividend: last year's payout was a net total of 11.5p.

BICC's results, which are due on Wednesday, will show a healthy rise in earnings. A *month ago at the time of its* acquisition, of Boschert Inc., a Californian manufacturer of electronic switching units, BICC estimated pre-tax profits for the year to December 31, 1980, of *£74.6m as against £65.6m in the* comparable period. The final dividend will be 6.4p making 9.43p for the year, an increase of 10 per cent on last year's pay out.

Taylor Woodrow will unveil its 1980 figures on Thursday and analysts are predicting a small increase, perhaps to £26m, above 1979's £24.6m pre-tax. Business has not been exceptional during the past year, but late claim settlements on contracts could help improve 1980 profits. The dividend is expected to rise to 14.7p from 13.6p.

Gill and Duffus results for last year will show an improvement on 1979 but there appears to be *some division among analysts* on the size of the earnings increase. At the interim stage the company forecast pre-tax profits for 1980 of £21m as against £20.6m the previous year, but some *analysts think active trading in* rubber and sugar may have boosted this to £23.5m. Chemical trading and the Brazilian cocoa processing subsidiary, Joanes, continue to drag down profits but the group's diversification away from cocoa, particularly into financial activities such as money broking and insurance broking gives it added growth potential.

Results due from Empire Stores and Grattan Warehouses on Wednesday are expected to be rather poor. Both companies indicated at the midway stage that turnover was well down on last year and Grattan warned of a substantially reduced final dividend. Analysts estimate that Grattan will have traded at a break even level during the second half, bringing the full year's earnings for the 12 months to January 31, 1981, to £2m against £4.2m in the comparable period, but it could be worse. *Empire's figures will show a* similar collapse in profitability with estimates for the year ended January 31, 1981, of between £5m and £6m against £9.1m in the previous year.

Next week's batch of results also includes interim figures from Highland Distillers (Monday). Preliminary figures are due from Glynwed (Wednesday), London Brick (Wednesday), Lead Industries (Thursday), Morgan Crucible (Thursday), Blackwood Hodge (Thursday), Stewart Wrightson (Thursday) and Automotive Products (Thursday).

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Associated Book Publishers	Thursday	2.8	4.7	2.8
Alva Investment Trust	Monday	4.025	5.075	4.9
Aquascutum and Associated Companies	Tuesday	0.75	1.3	0.75
Ash and Lacy	Tuesday	5.5	6.0	6.0
Aurora Holdings	Wednesday	1.55	4.81	1.55
Automotive Products	Thursday	1.5	1.678	1.5
Bestwood	Tuesday	—	3.0	—
BICC	Wednesday	2.75	5.82	3.03
Bifurcated Engineering	Wednesday	1.15	2.35	1.15
Blantyre Tea	Monday	2.0	4.0	2.0
Bowater Corporation	Thursday	4.25	7.25	4.25
Bowthorpe Holdings	Thursday	1.257	1.436	1.383
Brammer (H.)	Tuesday	1.8	3.7	1.8
Brown Boveri Kent	Friday	1.0	1.2	—
Christies International	Wednesday	1.75	4.25	2.0
Clarke, Nickolls, Coombs	Thursday	1.5	2.0	1.75
Dorada Holdings	Wednesday	2.1	3.37	2.1
Dreamland Electrical Appliances	Tuesday	0.35	0.85	0.35
Empire Stores	Wednesday	2.4	2.7	2.4
Fab International	Thursday	0.875	1.575	1.0
Finlan	Tuesday	1.0	1.5	1.5
Fothergill and Harvey	Friday	2.75	5.0	2.75
General and Commercial Inv. Trust	Thursday	3.3	5.2	4.0
General Investors and Trustees	Thursday	0.4	3.5	2.2
Gill and Duffus Group	Wednesday	3.1148†	4.0	3.6
Glynwed	Wednesday	2.45	6.7	2.45
Grattan Warehouses	Wednesday	1.866	4.425	1.866
Greenbank Industrial Holdings	Wednesday	0.6	0.74	0.45
Greens Economiser Group	*Thursday*	2.6152	2.6152	2.6152
Higgs and Hill	Wednesday	1.9	1.95	2.0
Jerome and Sons Holdings	Wednesday	0.525	2.675	1.0
K.C.A. International	Tuesday	2.0	2.5	2.5
Laing Properties	Tuesday	1.25	2.25	1.5
Lead Industries Group	Thursday	3.7	5.96	3.7
Lec Refrigeration	Wednesday	1.35	2.35	1.485
Lilley (F. J. C.)	Thursday	1.54	2.31	1.8
London Brick	Wednesday	1.7342	2.632	1.7342
Lyle Shipping	Friday	3.3	4.2	4.0
Miller (F.) Textiles	Friday	1.1	1.5	0.9
Midland Industries	Thursday	1.0	1.0	1.1
Morgan Crucible	*Thursday*	4.5	3.0	4.5
Portals	Wednesday	4.25	6.75	4.75
Ruberoid	Thursday	0.95	2.15	1.1
Senior Engineering Group	Wednesday	0.75	0.75	0.75
Southampton, Isle of Wight and South of England Royal Mail Steam Packet	Tuesday	4.0	9.5	4.0
Standard Chartered Bank	Tuesday	10.0	16.0	12.0
Stanley (A. G.)	Wednesday	1.0	1.5	1.0
Stewart Wrightson Holdings	*Thursday*	3.85	8.15	3.85
Sykes (Henry)	Wednesday	1.5	2.5	—
Taylor Woodrow	Thursday	3.15	10.157	3.15
Ward White Group	Thursday	1.44	2.88	1.4
Watts, Blake, Bearne	Thursday	1.3	2.3	1.23
Wills (George) and Sons Holdings	Thursday	1.5	3.0	1.5
Yorkshire Chemicals	Wednesday	2.39526	2.45	—
INTERIM DIVIDENDS				
Bryant Holdings	Monday	0.76	1.75	
C.L.R.P. Investments	Tuesday	1.6	1.9	
Dowding and Mills	Wednesday	0.7	0.95	
Highland Distilleries	Monday	0.8	1.8	
MTD Mangula	Tuesday	—	—	
North Atlantic Securities	Wednesday	1.75	2.55	
Peters Stores	Wednesday	1.5	2.0	
Photo-Me International	Wednesday	3.15	6.3	
Scottish Metropolitan Property	Tuesday	1.04167	1.66667	
Sterling Credit	Wednesday	0.392	0.6939	

* Dividends shown net pence per share and are adjusted for any intervening scrip issue. † Includes a special payment of 0.1148p. ‡ Includes a special payment of 0.08p.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

R. P. Martin, the City money brokers, is to merge with **Bierbaum**, the Dusseldorf-based brokers, in a share exchange deal. Bierbaum, which currently holds a 15 per cent stake in Martin, will form a limited company. Martin will then issue 5.2m shares to the partners of Bierbaum in return for a 55 per cent shareholding in the latter. Within the next year, Bierbaum will sell about 1m Martin shares reducing its holding from 62.38 to 51.7 per cent. The merger follows months of uncertainty over Martin's future after talks between the two groups foundered in January on Bierbaum's insistence that Mr. Tom Wyte, former chairman of the failed Triumph Investment Trust, remained a party to its bid. Bierbaum announced the end of its association with Mr. Wyte after pressure from Martin; Mr. Wyte, however, will retain a 7.45 per cent stake in the latter.

Rothman's International and **R. J. Reynolds** of the U.S., two of the world's largest cigarette companies, are holding "exploratory talks with the purpose of establishing a basis of co-operation which could lead to definitive proposals being made by the boards of both companies."

Associated Communications sold its Ansafone subsidiary for £13.5m cash to nine senior Ansafone executives and a group of institutional investors. The sale is believed to be the biggest in a series of deals in which executives have acquired a stake in the businesses which they manage.

Johnson and Firth Brown agreed to sell its steel wire business to **Cape Gate** of South Africa for around £9m, thus ending its involvement in the sector.

Thomas Tilling, the industrial holding group, bought a 75 per cent stake in **Central Industrial Supplies**, a Singapore-based distributor of oilfield equipment, for approximately S$8m cash (£1.72m).

Without disclosing a reason, **Marler Estates**, the property investment company, announced that the talks which might have led to an offer being made for the company have ended.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Avenue Close¶¶	89§§	85	78	10.84	Peachey Property	—
Bond Street	40*	39	34††	1.08	Auchinleck	—
Bond Street	28§§	39	26	0.55	Grovebell	—
Bristol Evening Post	190§*	203	105	5.92	Associated Newspapers	—
Carlton Inds.	278*	277	255	74.65	Hwkr. Siddly.	—
Central Man. and Trad.¶¶	58½§§	54	55	15.47	LK Inds.	—
Centreway	132§§	120	123	1.63	Centreway Trust	—
Denbyware	80§*	87	74	2.41	Crown House	23/4
Eva Inds.	40§*	40	37	2.73	Anglo Indonesian	13/4
Hwthrn. Leslie¶¶	147§*	145	107	2.31	Starwest	—
Inveresk	35*	34	35	7.12	Georgia-Pacific	—
Lloyds & Scottish	200§*	199	185	144.21	Lloyds Bank	—
London and European	48§§	44††	44††	5.66	Bardsey	—
Negretti and Zambra	25*	27	30½	0.80	Western Scientific	—
Robinsn. Foods¶¶	182	179	97	21.21	Avana	10/4
Royal Bank of Scotland	141§§	134	96††	316.91	Stand. Chartered Bank	—
Savoy "A"	189	200	125	52.33	Trusthouse	—
Savoy "B"	£11¼	975	775	14.69	Trusthouse	—
Stroud Riley Drummond	42*	54	50	0.91	Mr. Stefan Simmonds	—
Tunnel "B"	414§§	382	320	75.55	Ward (T. W.)	—
UDT	57*	56	52	109.8	TSB	—
Warner Hols.	145½	142	64††	7.00	Grand Met.	—
Warner Hols."A"	116½	110	55††	4.09	Grand Met.	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on 3/4/81. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Appleyard	Dec.	1,880L	(652)	—	(6.0)	—	(4.25)
APV	Dec.	18,560	(19,030)	40.5	(42.3)	9.0	(8.4)
Arncliffe	Oct.	484	(656)	8.0	(13.1)	2.66	(2.66)
Austin Reed	Jan.	2,540	(3,290)	13.0	(12.6)	2.46	(2.46)
Babcock	Dec.	15,240	(32,050)	5.9	(18.7)	3.6	(3.6)
Blck. & Edgngtn.	Dec.	144	(1,070)	—	(6.29)	1.0	(2.8)
Booker McConnell	Dec.	12,760	(21,790)	9.5	(15.5)	1.87	(1.87)
Bridon	Dec.	5,810	(3,590)	8.52	(5.75)	3.5	(5.0)
Bruntons	Dec.	1,650	(1,520)	13.62	(13.41)	9.46	(8.6)
Bunzl	Dec.	11,150	(13,280)	25.6	(27.0)	7.23	(6.57)
Cape Industries	Dec.	6,690	(12,480)	20.7	(43.6)	11.2	(11.2)
Charterhouse	Dec.	16,120	(12,150)	9.64	(9.25)	4.51	(4.1)
Carpet Int.	Dec.	6,370L	(2,020)	—	(4.5)	—	(2.5)
Carron	Dec.	1,060L	(1,610)	—	(8.58)	1.27	(2.3)
Desoutter	Dec.	2,570	(3,820)	13.5	(24.6)	3.0	(4.5)
Dufay Bitumastic	Dec.	40	(611)	4.1	(4.7)	2.0	(2.68)
Federated Land	Dec.	927	(1,110)	6.9	(8.8)	2.25	(2.15)
Freemans	Jan.	10,640	(15,520)	11.2	(17.8)	3.7	(3.5)
Guardian Royal	Dec.	87,100	(75,800)	40.1	(32.4)	15.5	(13.5)
Hiltons Footwear	Jan.	455	(1,130)	13.3	(20.7)	4.7	(4.7)
J. B. Hldgs.	Dec.	2,720	(1,720)	15.9	(7.54)	1.5	(1.5)
Ladbroke	Dec.	32,600	(49,200)	46.0	(53.0)	13.51	(11.75)
Land Law	Dec.	280	(115)	1.15	(0.73)	1.5	(1.25)
Low & Bonar	Nov.	7,640	(9,020)	41.3	(49.3)	14.5	(14.5)
Macfarlane Grp.	Dec.	1,220	(1,670)	14.44	(9.86)	3.7	(3.52)
Magnolia	Dec.	751	(1,120)	13.29	(12.2)	2.1	(2.1)
Molins	Dec.	8,900	(11,000)	22.5	(27.8)	7.9	(7.9)
Morrison	Jan.	5,980	(4,600)	22.77	(20.97)	2.5	(2.2)
Ocean Transport	Dec.	35,500	(19,700)	23.5	(13.9)	9.0	(8.9)
Ofrex	Dec.	2,500	(5,040)	12.3	(14.9)	3.67	(3.67)
Phicom	Dec.	1,060	(1,120)	2.2	(2.2)	0.55	(0.55)
Phoenix	Dec.	484,100	(453,700)	27.8	(30.4)	14.9	(13.3)
Provincial Ins.	Dec.	5,960	(4,980)	47.01	(38.24)	17.5	(16.0)
Queens Moat	Dec.	972	(682)	4.47	(2.4)	1.1	(0.75)
Quick (H.)	Dec.	175	(1,160)	1.5	(19.5)	1.15	(2.29)
Reckitt & Colman	Dec.	53,170	(51,010)	21.7	(22.5)	8.5	(8.5)
Rohan Group	Dec.	3,710§	(1,900)†	48.9	(23.8)	10.5	(5.3)
Spirax	Dec.	6,200	(6,600)	12.5	(12.6)	4.4	(4.4)
Sun Alliance	Dec.	69,300	(49,200)	83.6	(62.3)	47.1	(38.0)
Sunbeam Wolsey	Dec.	325§	(1,480)	4.02	(13.6)	2.0	(4.0)
Thurgar	Dec.	268	(391)	2.18	(3.42)	0.9	(0.9)
William Nash	Dec.	100	(679)	90.0	(108.4)	10.0	(12.0)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Blue Bird Conf.	Dec.	114	(241)	1.45	(1.45)
Burndene	Nov.	494L	(93)	—	(0.25)
Charterhall	Dec.	84‡	(19)	—	(—)
Danks Gowerton	Dec.	303L	(56)	—	(0.7)
Ferry Pickering	Dec.	654	(746)	1.0	(2.6)
Lake & Elliot	Jan.	306	(850)L	1.0	(1.0)
LWT	Jan.	1,360	(1,980)	4.08	(4.08)
Newman & Tonks	Jan.	520	(1,120)	1.65	(1.65)
Peachey Prop.	Dec.	1,850	(1,788)	1.5	(1.5)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated. † Eight months. ‡ Net figures. § In IR£. L Loss.

Offers for sale, placings and introductions

Barclays Bank—Planning to raise $125m (£56m) through public debt issue in U.S..

Harvey and Thompson joins the unlisted securities market.

Metal Bulletin joins unlisted securities market.

GT Global Recovery Investment Trust—Issue of 10m ordinary £1 share at par.

Rights Issues

Rohan Group—Three-for-ten at 165p each.

Spirax-Sarco Engineering—One-for-four at 145p each.

Thermal Syndicate—One-for-three at 82p each.

Charles Early returns to profitability

Stringent cost control at **Charles Early and Marriott (Witney)** has led to a return to profitability in the second half of the year to January 31, 1981. *After a first half loss of £46,537* against a profit of £172,949, the company, which manufactures blankets and floorcoverings, finished the 12 months with pre-tax profits down from £421,147 to £186,730.

Turnover for the year was marginally lower at £7.41m (£7.46m). Tax took £18,833 (£122,903), deferred tax released amounted to £242,000 and earnings per 10p share fell from 4.97p to 2.74p. The net final dividend is 1.485p for a 1.8p (2.2122p) total.

Stanley Miller suffers £0.2m downturn in year

REFLECTING losses in its associate company in Saudi Arabia and in two major subsidiaries, pre-tax profits of **Stanley Miller Holdings**, building contractor and civil engineer, sank to £60,000 in 1980, compared with £263,000 a year earlier.

Mr. E. Bell, the chairman, says the group's principal company did well to improve its profits in a difficult market and has started the current year well. But he warns that it will have difficulty in repeating last year's performance in the present economic climate.

Group turnover increased from £12.97m to £16.94m. After a tax credit of £467,000 (£102,000 charge), earnings per 10p share *are shown 6p ahead at 8.75p.*

The dividend is maintained at 1.4p net with a final of 0.8p.

The chairman says a claim is being pressed to recover a substantial part of the "very serious" *loss incurred by Dorin*, a subsidiary, on a civil engineering contract. In the meantime, this company's operations have been brought to a virtual standstill.

The Saudi Arabian associate's loss of £27,000 (£91,000 profit) —included in the pre-tax figure —had been anticipated following a lack of orders due to increasingly severe competition. However, this company has won some useful orders already this year and its performance should improve, says Mr. Bell.

The house-building subsidiary's losses were reduced in the second half and there are now small signs of an upturn in the private housing market, he adds.

W. A. Tyzack in reverse —no interim

ON TURNOVER down from *£2.82m to £2.39m*, **W. A. Tyzack & Co.**, precision engineering component manufacturer, incurred a pre-tax loss of £121,965 for the half year ended January 31, 1981, compared with a profit of £57,646, and directors are omitting the interim dividend.

The new chairman, Mr. Rupert Hunt—he succeeded Mr. Donald Tyzack on March 12—says it is difficult to predict the duration of the recession. Liquidity is strong, however, and the group has taken a considerable number of steps to minimise expenditure and control costs.

As a result Tyack is well prepared to respond to any sign of improvement in the economy, he states.

For the whole of the 1979/80 year, the group paid an interim of 0.5p and a final of 1.284p from pre-tax profits of £247,507.

First half tax was a credit of £63,422 (£29,976 charge) making the loss £58,543 (£27,670 profit) or 1.18p per share (0.54p earnings).

Geo. Spencer omits final

No final dividend is being paid by **George Spencer**, the Nottingham-based manufacturer of Vedonis knitwear, after 1980 pre-tax profits plunged from £329,049 to £1,201. Sales fell from £13.18m to £13.03m.

The net total dividend is reduced from 3.064323p to 0.8p. *Earnings per 25p share fell from* 4.8p to 1.2p.

At the halfway stage the group *had slipped into the red with* a loss of £45,000 against a profit of £102,000 in the corresponding period.

The pre-tax surplus was after increased interest charges of £202,201 (£140,327), and there was a tax credit of £85,782 (charge £25,524).

Losses of about £120,000 arising from bad debts and a charge from a water authority relating to previous years have been absorbed into the trading profits, say the directors.

Foreign exchange losses of £207,371 (£44,202) from the translation of net assets of overseas subsidiaries at the beginning of the year have been charged to reserves.

After current cost adjustment, the pre-tax profit was turned into a loss of £336,000.

Wm. Jacks falls sharply

Taxable profits of **William Jacks and Co.**, car distributor and *retailer, fell from £410,829* to £220,891 for 1980. Turnover increased from £13.84m to £14.45m.

After the first six months, group profits were down from £223,473 to £195,199.

The final dividend is omitted, making a net total payment for the year of 0.35p, against 1.4p previously. Stated earnings per 25p share were reduced from 4.98p to 0.7p.

The group showed an attributable loss of £141,160, against *a profit last time of £193,838*, after a UK tax credit of £9,865 (charge £34,609), overseas charges *of £191,489 (£105,136)* and an extraordinary debit of £160,000 (nil).

The extraordinary debit was made to reduce the value of certain assets to their likely value on disposal.

After current cost adjustments, the attributable loss was £429,683.

SPAIN

April 3	Price %	− or +
Banco Bilbao	294	−2
Banco Central	335	−2
Banco Exterior	257	−8
Banco Hispano	290	−2
Banco Ind. Cat.	127	−1
Banco Santander	322	+1
Banco Urquijo	183	
Banco Vizcaya	783	
Banco Zaragoza	225	−2
Dragados	140	−2
Espanola Zinc	75	
Fecsa	58.5	
Gal. Preciados	30.2	−0.3
Hidrola	63	
Iberduero	53	
Petroleos	93	
Petroliber	70	
Sogefisa	85	
Telefonica	60.7	−0.3
Union Elect.	63	+0.3

Dinkie Heel declines to £113,969

PRE-TAX profits of **Dinkie Heel Company** for 1980 have fallen from £238,280 to £113,969 but the dividend total is held at 0.5p net *with a final payment of 0.25p.*

Turnover declined from £1.66m to £1.59m and the directors report that UK sales of the company's steel toe caps in the second half were less than half those in the first six months. At halfway a profit decline from £165,544 to £129,000 was reported.

Overseas the position was somewhat brighter and the company exported slightly more in 1980 than in 1979.

The production and supply of components for the shoe repair trade has shown a welcome resilience to the recession, both turnover and profit are up, say the directors.

Tax for the year absorbed £20,682 (£53,604 now released).

Breedon Lime slips to £1.12m

Pre-tax profits of **Breedon and Cloud Hill Lime Works** slipped from £1.13m to £1.12m for the year to the end of January 1981 on turnover slightly lower at £3.89m (£3.94m).

But the directors have recommended a maintained final dividend of 5p, making a net total payment for the year of 7.625p (7.5p adjusted for a one for five scrip issue). Earnings per 25p share were ahead at 11.88p (11.26p). Tax took £538,030, against £580,066 last time.

Tate of Leeds

Profits before tax of **Tate of Leeds**, car and commercial *vehicle distributor, fell to* £390,691 in 1980, against £681,615 the previous year.

The single dividend is held at 1.25p net.

The surplus was struck after interest charges of £304,490 (£322,254) but was before a tax credit of £3,993 (£25,012 charge). *On a CCA basis, profit is shown* as £306,182.

NEWMAN INDS

Dividends on **Newman Industries'** 10 per cent cumulative preference shares and 10½ per cent cumulative preference shares, due May 1, 1981, will not be paid on that date.

WORLD STOCK MARKETS

Early irregularity on Wall St.

A MIXED trend prevailed in moderate trading on Wall Street yesterday, when investors awaited interest rate and political developments.

By mid-day the Dow Jones Industrial Average was up 2.16 at 1,011.17, making a rise of 16.39 on the week, while the NYSE All Common Index, at $78.49, was off 8 cents on the day but still up 90 cents on the week. Declines led advances by a few issues in a volume of 28.26m (32.15m) shares.

Interest rates have been rising in the Credit Market in recent days despite the drop in the Prime rate to 17 per cent by major banks. Additionally, new worries about the situation in Poland were keeping investors cautious. The 1.3 per cent rise in March Wholesale Prices was discouraging but a breakdown of the figures gave hope Wholesale Prices may ease in coming months.

American Telephone lost $⅛ to $51⅞ — the Justice Department said it will oppose ATT's efforts to enter the data processing business.

Flexi-Van tacked on $⅛ at $31⅞ — directors approved a $35 a share bid for the company's stock made last week by a group of British Institutional investors.

St. Joe Minerals decline $1 to $54⅛ on the directors approval of a share takeover bid from Fluor, down $⅞ to $44⅞. Seagram held unchanged at $55⅛—it offered $45 a share for St. Joe.

General Motors slipped $⅛ to $52⅞ and Ford Motor $⅞ to $22⅛. GM's late March sales fell 27.8 per cent and Ford's eased ⅛ per cent.

American Cyanamid gained $1⅞ to $34⅞ in heavy trading — the company could not explain the rise.

THE AMERICAN SE Market Value Index slipped 0.15 to 370.09, reducing its rise on the week to 12.22. But advances led declines nearly five-to-four majority on a volume of 3.27m (4.34m) shares.

Wainoco Oil rose $1⅛ to $30⅞ and Triton Oil and Gas $⅛ to $27. But Dome Petroleum slipped $⅞ to $76⅞.

United Asbestos shed $⅛ to $10⅛ in active trading—Campbell Resources, up $⅛ at $16⅞, said it raised its United Asbestos stake to 14.8 per cent from 9.97 per cent.

Niagara Frontier Services jumped $4⅛ to $26.

Closing prices for North America were not available for this edition.

Canada

Markets turned mixed in moderate noon trading after three straight gains. The Toronto Composite Index was off 2.9 at 2,372.3.

The Metals and Minerals Index moved up 12.7 to 2,391.0, Golds 62.7 to 4,369.6 and Oil and Gas 0.9 to 4,644.6. But Banks shed 1.29 to 414.83, and Utilities 0.34 to 267.03.

Australia

Prices gained ground in active trading, with Oils and Minerals leading the best rally since the start of the year.

Hamersley Holdings, up 50 cents to A$4.5, gave speculators a well needed shot in the arm following news that CRA, up 15 cents to A$4.75, would bid for the 17.68 per cent of the company that it doesn't own.

Cooper Basin stocks were active on a report that the partners would be involved in a multi-million dollar deal with Japan for liquid petroleum gas. Crusader moved up 30 cents to A$7.70, Project 20 cents to A$1.80, Vamgas 10 cents to A$9.50, Reef 10 cents to A$2.45 and Basin 5 cents to A$2.75.

In other Oil and Gas movements, Hartogen rose 50 cents to A$9.70 and Strata 25 cents to A$3.45.

Golds were much firmer and Oils were all up, with Heavyweights gaining good ground.

Situation stocks traded firmer but couldn't compete with the activity in the Mining sector.

Tokyo

Slightly higher in moderate trading amid a dominant waiting mood among investors.

In the morning session "Large-Capital," Heavy Electricals and Shipbuilding issues were all actively hunted by Foreign and Institutional investors, but there prevailed a dominant waiting mood traced to reports that U.S. Secretary of Defense had hinted at the possibility that the Soviet Union may move into Poland to defuse the present labour tension.

The dolar's rise in the Tokyo Exchange Market made Foreign investors start profit-taking in the afternoon.

Chemicals, non-Ferrous Metals, Foods, Constructions and Textiles were higher.

Steels, Shipbuildings, Motors, Electricals, Precisions, Drugs and Trading Houses fell.

Coals and Oils continued to fall.

Hong Kong

Shares closed mixed but losers were generally above their lows in quiet trading.

Some heavy selling in the partly by a bomb hoax at the Far East Stock Exchange, but shares recovered towards the close.

There were no expectations of a cut in Hong Kong interest rates yesterday afternoon, and the 1980 Hutchison Whampoa results, announced earlier, were as expected and were unable to buoy up the market.

Switzerland

Domestic shares steady in moderately active trading with Foreign investors less in evidence.

Leading Industrials turned mixed with a firmer bias.

Unofficially traded Hoffmann-La Roche, Chemie Holding, Baer Holding and Galenica Participation Certificates were unchanged while Kuoni, Land und Spruengli and Union Bank Options edged higher in a thin market.

Domestic and Foreign Bonds continued to attract buying interest. Mitsubishi Chemical Industries 4.75 per cent Convertible Loan featured gainers in a strong Foreign Bond sector.

Singapore

Higher in active trading with sentiment helped by news that Prime Minister Prem Tinsulanonda's Government said it was in control again after the attempt by dissident officers to oust it.

Both the Straits Times and Stock Exchange Industrial Indices rose to record highs. The Straits Times Index gained 6.80 to 834.12 and the Stock Exchange Index 6.85 to 806.06.

Paris

Prices weakened in quiet trading, reflecting the approaching Presidential elections.

Banks in particular weakened following a statement by Gaullist Presidential candidate Jacques Chirac that if elected he would oblige leading Banks to cut interest rates on loans to small companies.

Among Banks, Cie Bancaire fell FFr 6 to 360.

All sectors showed some weakness, although in Metals and Engineerings it was only slight.

Germany

Firmer in active trading which saw the Commerzbank Index reach its highest level this year, 706.40, up 3.70.

In Banks, Deutsche rose DM 2.20 to 296.

Siemens were up DM 4 at 252.50 in Electricals, while BMW led Motors rising DM 3.50 to 172.

Chemicals tended easier. Metallgesellschaft moved up DM 4 to 324 ahead of its results next week.

Domestic Bonds were generally steady, with movements ranging between plus DM 0.50 and minus DM 0.35. The Bundesbank bought DM 2.8m of stock.

Johannesburg

Firmer across the board as the rise in Gold shares on the strong bullion price extended to the rest of the market. But volume was small.

Indices

NEW YORK —DOW JONES

	Apr 2	April 1	Mar. 31	Mar. 30	Mar. 27	Mar. 26	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
◆Industr'ls	1009.1	1014.14	1003.87	992.16	994.78	1005.75	1015.22 (25/3)	931.57 (13/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	61.52	64.04	61.99	61.87	61.85	62.16	65.78 (15/1)	61.52 (2/4)	—	—
Transport.	440.35	439.08	437.82	438.65	430.79	435.26	440.35 (2/4)	379.19 (20/2)	440.35 (2/4/81)	12.23 (8/7/32)
Utilities	110.05	109.79	108.02	107.82	107.53	108.22	117.81 (6/1)	106.41 (25/2)	165.32 (20/4/69)	10.5 (28/4/42)
Trading Vol 000's†	52,570	54,880	50,980	33,500	46,850	60,370	—	—	—	—

◆Day's high 1020.62 low 1002.16

Ind. div. yield %	Mar. 27	Mar. 20	Mar. 13	Year ago (approx
	5.57	5.58	5.66	6.70

STANDARD AND POORS

	Apr. 2	April 1	Mar. 31	Mar. 30	Mar. 27	Mar. 26	1981 High	1981 Low	Since Cmpil't n High	Since Cmpil't n Low
‡Indust'ls	154.54	154.86	154.19	152.22	152.75	154.65	157.02 (6/1)	145.78 (2/2)	160.96 (28/11/80)	3.52 (30/6/32)
Composite	136.32	136.57	136.06	134.28	134.66	136.27	138.12 (6/1)	128.58 (20/2)	140.52 (28/11/80)	4.40 (1/6/32)

	Apr. 1	Mar. 25	Mar. 18	Year ago (approx
Ind. div. yield %	4.47	4.44	4.54	5.75
Ind. P/E Ratio	9.64	9.68	9.45	7.19
Long Gov. Bond Yield	12.46	12.63	11.91	12.24

N.Y.S.E. ALL COMMON

Apr. 2	Apr. 1	Mar. 31	Mar. 30	1981 High	1981 Low
78.57	78.62	78.27	77.36	79.14 (6/1)	72.45 (20/2)

Rises and Falls	Apr. 2	Apr. 1	Mar. 31
Issues Traded	1,916	1,921	1,921
Rises	760	929	1,141
Falls	763	613	426
Unchanged	393	379	354
New Highs	132	152	131
New Lows	5	7	8

MONTREAL

	Apr. 2	Apr. 1	Mar. 31	Mar. 30	1981 High	1981 Low
Industrials	399.25	394.82	386.58	384.93	399.25 (2/4)	356.28 (20/2)
Combined	375.66	370.54	364.78	365.27	375.66 (2/4)	358.54 (20/2)
TORONTO Composite	2575.2	2565.9	2535.1	2518.5	2575.2 (2/4)	2151.4 (20/2)

	Apr. 3	Apr. 2	Apr. 1	Mar. 31	1981 High	1981 Low
AUSTRALIA						
All Ord. (1/1/80)	729.1	715.0	707.8	708.0	729.1 (3/4)	641.1 (17/2)
Metal & Minrls. (1/1/80)	644.9	624.5	622.0	625.1	735.2 (7/1)	554.9 (5/3)
AUSTRIA						
Credit Aktien (2/1/62)	62.46	62.35	62.95	62.72	68.45 (5/1)	62.35 (2/4)
BELGIUM						
Belgian SE (31/12/63)	82.92	82.70	82.18	82.18	88.15 (17/2)	82.18 (31/3)
DENMARK						
Copenhagen SE (1/1/73)	109.25	102.08	108.97	108.57	109.25 (3/4)	95.88 (2/1)
FRANCE						
CAC General (29/12/61)	108.70	110.0	111.1	111.5	112.5 (7/3)	103.1 (29/1)
Ind Tendance (31/12/80)	101.40	101.9	103.2	105.7	106.8 (13/3)	95.4 (27/1)
GERMANY						
FAZ-Aktien (31/12/58)	229.07	227.96	225.81	222.76	229.67 (3/4)	215.88 (9/2)
Commerzbank (Dec.1953)	706.40	702.7	695.7	697.1	706.4 (3/4)	666.4 (16/2)
HOLLAND						
ANP-CBS General (1970)	90.0	89.8	89.6	88.5	90.5 (26/2)	85.7 (2/1)
ANP-CBS Indust. (1970)	68.6	68.8	68.5	67.7	68.8 (2/4)	62.8 (2/1)
HONG KONG						
Hang Seng Bank (31/7/64)	1409.86	1408.85	1387.76	1369.65	1650.82 (4/2)	1296.44 (11/3)
ITALY						
Banca Comm. Ital (1972)	252.86	252.25	248.79	245.31	252.86 (3/4)	178.36 (8/1)
JAPAN						
Dow Average (16/5/49)	7421.19	7416.97	7389.99	7334.31	7421.19 (3/4)	6956.52 (16/3)
Tokyo New SE (4/1/68)	536.15	536.85	533.82	530.17	536.85 (2/4)	495.79 (6/1)
NORWAY						
Oslo SE (1/1/72)	118.88	118.62	118.31	118.58	124.16 (3/3)	116.22 (13/2)
SINGAPORE						
Straits Times (1966)	834.12	827.22	833.28	823.67	834.12 (3/4)	669.52 (2/1)
SOUTH AFRICA						
Gold (1958)	—	(u)	642.3	642.7	797.6 (7/1)	561.3 (3/3)
Industrial (1958)	—	(u)	620.8	620.7	621.7 (27/3)	537.2 (5/2)
SPAIN						
Madrid SE (30/12/80)	111.85	112.13	112.86	112.94	114.28 (17/2)	100.46 (2/1)
SWEDEN						
Jacobson & P. (1/1/58)	480.4	485.59	487.85	490.52	495.61 (25/3)	404.17 (20/1)
SWITZERLAND						
Swiss BankCpn. (31/12/58)	304.2	304.2	302.3	298.1	304.2 (2/4)	287.0 (13/2)
WORLD						
Capital Intl. (1/1/70)	—	160.5	160.2	159.2	162.8 (6/1)	143.8 (17/2)

Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. (c) Closed.

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
Sears Roebuck	1,545,100	19½	+ ⅛	Fluor	499,100	45½	− ½
St. Joe Minrls.	1,130,800	55½	+2½	IBM	462,700	62⅞	− ⅞
Engelhard	780,100	44⅞	−1⅞	Sony	444,600	18⅞	—
K Mart	756,500	20⅞	+ ½	Mobil	427,400	68⅞	+ ⅛
American Can	604,200	42⅞	−1⅞	Burlington Inds	425,100	21½	− ⅛

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INTERNATIONAL COMPANIES and FINANCE

Further growth forecast by UBS

By John Wicks in Zurich

UNION BANK of Switzerland expects another good year, Dr. Nikolaus Senn, has told shareholders.

Last year, the bank's net profits rose 15 per cent to a record SwFr 334.1m ($172.2m) and it maintained its dividend at 20 per cent.

This year increased loan activity and attractive investment opportunities for non-interest bearing liabilities should contribute to satisfactory results.

However, he said, UBS doubted whether commission income would be as high as the "very good" figure for 1980.

It was unlikely that the precious metal sector would reach the record turnovers attained last year.

VW cuts engine deliveries to Chrysler

By Roger Boyes in Bonn

VOLKSWAGEN, the German motor company, is expected to halve its deliveries of 70 hp engines to Chrysler, the troubled U.S. automobile concern, over the company year.

Volkswagen's contract to *supply 300,000 engines to* Chrysler ran out at the end of last year and a new delivery contract is expected to be signed soon after Easter. This is likely to provide for the supply of about 150,000 to 200,000 engines.

The reason for the cutback seems to be rooted in the falling demand for the Chrysler's Horizon model, in which the engines are installed, and in increasing sales of the Volkswagen Golf model which also uses these engines.

Strong advance in profits at Hutchison Whampoa

BY ADRIAN BOVEN IN HONG KONG

HUTCHISON WHAMPOA, the trading house associated with Cheung Kong Holdings, the Chinese property group headed by *Mr. Li Ka-shing*, increased its profits after tax and minorities by 23.8 per cent in 1980, to HK$ 10.8m (US$ 78m), from HK$ 410.8m (US$ 78m), from announced an extraordinary gain of HK$ 359.3m, mainly from a surplus on revaluation of properties.

The final dividend is set at 21 cents a share, making a total for the year of 32 cents a share, up 25 per cent from an adjusted 25.5 cents a share in 1979.

The results were generally in line with market expectations but a good deal higher than the HK$ 380m the group had predicted in July when it made a HK$ 600m rights issue of loan stock. The difference was attributed mainly to a performance better than expected from container operations and to the high level of interest rates in the second half, from which the group benefited because the loan stock helped it to become a net lender of funds in that period.

Property, trading and investment contributed about 60 per cent to the total, slightly more than last year, with the bulk of the property profits coming from sales of flats in a large residential development on the southern side of Hong Kong Island.

The percentage contribution from property operations is expected to continue to rise because the group has a vast land bank, which it is only beginning to develop, and because the new chairman, Mr. Li is one of Hong Kong's most respected property developers.

Contributions from retail operations and quarrying also improved substantially.

Straits Steamship lifts income

BY GEORGIE LEE IN SINGAPORE

STRAITS STEAMSHIP Company, a subsidiary of the *Ocean Transport and Trading* Group of the UK, has announced improved results for the year ended December, 1980, and a bonus scrip issue of one new share for every four held.

Despite a 2.1 per cent decline in turnover to S$177.8m (US$85m), the group increased pre-tax profit by 40 per cent to S$24.7m.

Operating profit rose by 28.5 *per cent to* S$25.4m while investment income more than doubled to S$2.4m.

The group's share of profits of associate companies improved by 30 per cent to S$6.55m despite the unsatisfactory performance of its building materials associate, Jacks International.

Shipping, the group's main activity, appears to have been the primary reason for the improvement. But its other activities also showed creditable improvement except for Jacks International and food subsidiary, Ben and Co.

Ben and Co. had a pre-tax loss of S$1.25m and has been a drag on the group's performance since Straits Steamship acquired it about five years ago.

The group also suffered a 17 per cent rise in interest charges to S$9.6m. Its tax bill, however, fell 20 per cent to S$5.8m.

The group said that the scrip issue, will raise its capital from S$27.4m to S$34.2m.

It has declared a final tax exempt dividend of 14 per cent or seven Singapore cents per share. This makes a total distribution of 22 per cent or 11 Singapore cents per share for the full year.

Dutch bank sees pressure on margins

By Our Amsterdam Correspondent

NEDERLANDSE Credietbank (NCB) expects profits in the first half of the current year to be about the same as the Fl 11.2m ($4.7m) in the first six months of 1980. In its 1980 annual report the bank complained of stagnating profits despite the large increase in its balance sheet total.

The bank, the fifth largest in the Netherlands, has the Monaco-based holding company Thyssen-Bornemisza as a major shareholder.

Net profit fell 5 per cent to Fl 21.7m on a balance sheet total which was 21 per cent higher at Fl 18.6bn.

Thyssen-Bornemisza earnings at record level

BY CHARLES BATCHELOR IN AMSTERDAM

THYSSEN-BORNEMISZA (TB), the international industrial holding company, increased profits and turnover in 1980. It forecast a further improvement this year and a substantial increase in investments.

Net profit of the Monaco-based holding company rose 8 per cent to Fl 136.11m ($58m) while sales were 5 per cent higher at Fl 3.4bn ($1.46bn). It increased slightly its return on equity to 19 from 18.6 per cent.

Profits were at a record level last year but the increase was still below the group's target, which is tied to the level of Dutch inflation. All group activities were profitable, with the exception of shipbuilding, although the improvement in profit at the net level came largely from the holding company operations and a more favourable tax mix.

TB's pump and industrial packaging division achieved good results. Liquid petroleum gas (LPG), transport and trading declined slightly but the company's Eurogas terminal at Flushing had a most satisfactory start. Glass containers held up well despite over capacity and price pressure.

The metals and automotive companies as well as the electrical and construction products division suffered from the industrial recession.

Containers board backs improved APM offer

By Our Sydney Correspondent

AUSTRALIAN PAPER Manufacturers has moved closer to success in its bid for *Containers, the packaging* group, with an improved offer which has been accepted by the Containers' board.

Three weeks of negotiations have resulted in APM lifting the cash alternative offer by A$1 to A$6 a share, which places a value of A$190m (U.S.$222m) on Containers. The cash-share option is improved to three APM shares *plus A$6* cash for two Containers' shares. Previously, the cash part of the mixed offer had been A$4.

APM has also gained control of a portion of the critical 28 per cent interest held by Continental Can, the U.S. group. However in yesterday's statement, the directors did not disclose precise details of this aspect of the agreement.

***Continental will retain* all the previous technology and licensing agreements held with Containers, and an unspecified equity interest.**

APM said that, apart from the higher offer, other conditions of the bid, including that of 90 per cent minimum acceptance, remained the same.

The offer of A$1 for each *5 per cent and 6.5 per cent* preference share held stands at the same level as in the original offer.

The revised offer values Containers' shares at A$6.45 under the cash-share mix, using the current APM price of A$2.30, which is well above Friday's closing price of A$5.36.

Sophus payout up

Sophus Berendsen, Danish parent company to Rentokil, the UK company, proposed an increase in the dividend from 14 per cent to 15 per cent and a bonus and rights issue, Hilary Barnes writes from Copenhagen.

Group pre-tax profits rose to DKr 185m ($23.7m) from DKr 157m and net profits to DKr 110m from DKr 83m. Parent company profits, both before and after tax, increased from DKr 16.9m to DKr 33.2m. There will be a one-for-eight bonus issue of "A" and "B" shares and a one-for-eight rights issue of "B" shares

Crucial $52m rate increase for GPU

BY OUR COMMODITIES STAFF

GENERAL PUBLIC Utilities (GPU), the financially troubled owner of the crippled Three Mile Island nuclear plant, has won a $51.8b rate increase which could avert—for the time being, at least—the risk of imminent bankruptcy for the Pennsylvania utility group.

GPU had warned that unless its creditor banks, led by Citibank and Chemical Bank, extended and increased their current credit line to the utility, GPU would not be in a position to pay a Pennsylvania State tax bill of $26m due on April 15. Failure to pay this tax liability would, in theory, have *forced GPU* to enter bankruptcy

Although the rate increase granted by the Pennsylvania Public Utility Commission falls about $20m short of the $76.5m rate increase GPU had sought, the banks are now expected to consider more favourably extending their current credit arrangements with the troubled utility. The banks had indicated they would only consider extending GPU's current credit line if the utility won an adequate increase in *the electricity* rates it can charge customers.

GPU is currently trying to win Government approval to re-activate one of the nuclear reactors at its Three Mile Island plant which was not damaged in the accident two years ago. The utility is also seeking Government backing to assist it in the $1bn clean-up of the damaged nuclear plant.

The clean-up and solvency of GPU are regarded as crucial for the future of the U.S. nuclear industry whose confidence was severely undermined by the accident at Three Mile Island two years ago.

Opposition to AT and T data processing move

BY OUR FINANCIAL STAFF

THE U.S. JUSTICE Department will oppose plans by American Telephone and Telegraph (AT and T) to enter the data processing market, Department officials said.

The Department's position was outlined for the first time in papers to be filed in U.S. District Court in Newark, NJ, yesterday.

The document stated that the Government opposes any modification of a 1956 consent decree under which AT and T agreed to provide only regulated communications services. The decree settled an anti-trust suit against the company.

Another anti-trust suit filed against AT and T six years ago, alleging monopolisation of telecommunications equipment and services is being heard.

AT and T filed a petition last month asking the court to clarify the 1956 consent decree in order to allow it to sell a variety of telephone equipment and services which would help it enter the data processing field.

The department said AT and T should be barred from offering such services in the absence of Government pricing regulations, because the 1956 consent decree authorises the company to provide only regulated communications services.

Sharp setback at Forbo

BY OUR ZURICH CORRESPONDENT

Consolidated turnover of the Forbo Group, a leading international manufacturer of floor and wall coverings, rose by 18 per cent last year to SwFr 567m ($292.3m). Despite this sharp increase in sales, consolidated *net income fell* by nearly 25 per cent to SwFr 10.86m ($5.6m).

The Zurich-based parent company, Forbo AG, attributes the drop in profits primarily to substantial rises in the cost of petrochemical raw materials, which were unable to be fully offset by higher sales prices.

Parent company profits also dropped, from SwFr 10.07m to SwFr 8.04m, last year. In view of this decline, the Board recommends distribution of a lower dividend of SwFr 50, compared to SwFr 60 in 1979 per "A" share, and SwFr200, compared to SwFr 240 in 1979 per "B" share.

Repayment of $3.5m Harvester loan sought

By our New York Staff

INTERNATIONAL HARVESTER, the Chicago-based manufacturer of farm equipment and *heavy industrial machinery*, has run into more problems over its attempts to re-structure its short-term debts and arrange a new $4.7bn financial recovery programme.

This follows a demand by First National Bank of Commerce of New Orleans for immediate repayment of a $3.5m loan it advanced to Harvester.

The financially-troubled group *said yesterday* that the New Orleans bank had filed suit in a Federal Court to recover the

The company added it would fight the suit because it believes the New Orleans bank's demand is "inappropriate in view of the substantial progress made by the company and its banks towards the completion of its refinancing programme."

Harvester must win the approval of al creditor banks to get its proposed $4.7bn refinancing programme off the ground.

The company has actively sought the approval of more than 200 creditor banks to restructure $3.4bn of short-term debts into a new financial package involving the injection of an additional $1.3bn of fresh money. While major banks appear willing to approve the company's financial recovery package, a number of smaller banks have shown resistance to the proposals.

Sun expects lower earnings

By Our Financial Staff

SUN, the integrated U.S. oil company, expects to report first-*quarter earnings significantly* below those of the first quarter of 1980. However, full-year earnings would not be as badly affected. In last year's first quarter, Sun earned $251m.

Mr. Theodore Burtis, chairman and chief executive, *said* that in addition to reduced demand and lower margins for refined products which are affecting the oil industry generally, Sun's first-quarter earnings will continue to reflect "previously reported events."

COMMODITIES/REVIEW OF THE WEEK

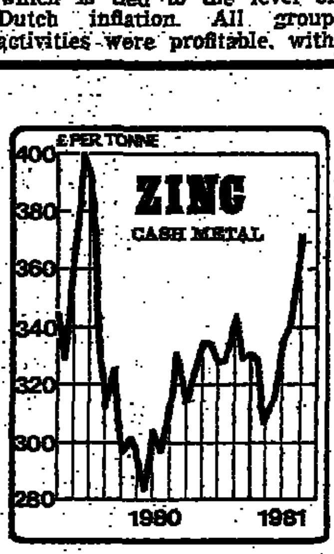
Producer price rises boost zinc market

BY OUR COMMODITIES STAFF

ZINC VALUES on the London Metal Exchange surged yesterday to the highest level for 13 months, following the announcement by Noranda, the big Canadian producer, that it was lifting its European producer price from $825 to $875 a tonne. The increase was quickly taken up by A. M. and S. (Europe), the Australian company running the Avonmouth smelter in Britain. But other zinc producers notably custom smelters in West Germany said they were reluctant to put up prices in view of continued poor demand. Nevertheless the LME zinc cash price rose by £11.75 yesterday to close at £372.25 a tonne, £23.75 up on a week ago.

LME traders pointed out that there is a world shortage of zinc concentrates, because of mine cutbacks, which may force smelters into raising their prices too. Extra pressure has been put on the market by the recent increase in U.S. zinc producer prices.

Lead prices extended their recent climb, encouraged by the rise in zinc and a strike by mineworkers at seven mining and milling plants operated by St. Joe Minerals in Missouri. Market sentiment was boosted by news that Asarco has rescinded its recent U.S. lead price cut of 2 cents a pound which had not been followed by other producers.



Copper after falling sharply on Monday made up ground during the rest of the week to end marginally higher. Tin closed slightly higher too, but there was surprisingly little reaction yesterday to news that gravel pumps in Malaysia, which provide 55 per cent of the coutry's output, were being temporarily closed down for safety reasons after a series of landslides.

Cocoa and coffee were both quiet but finished higher. Cocoa closed at £969 a tonne yesterday, up £49.5 on the week, while coffee gained £18 on balance to £1,067 a tonne.

In New York yesterday Pancafe, the trading arm of the Bogota group of coffee producers, said it had sold the 500,000 bags (60 kilos each) remaining in its price support stock. The unwinding of the group's support operation was a condition set by the U.S. for its participation in the International Coffee Agreement.

Speculative selling continued to push sugar values downwards and nearby futures prices hit 12-month lows at one stage. The August futures position on the London market ended the week £13.875 down at £222.875 a tonne while the London daily raw sugar price lost £19 on the week to £222 a tonne. In the absence of significant fundamental news dealers attributed the fall mainly to technical factors.

The slow rate of sales in recent weeks is likely to result in the EEC sugar selling season being extended beyond its scheduled ending date of June 30. After allowing for export licences granted so far around 880,000 tonnes of Community sugar appears to remain to be committed for export, but traders have warned that this figure probably understates the situation. Many old licences carrying export levies are likely to be abandoned now that subsidies are available and the true remaining figure could be well over 1m tonnes, they said.

Natural rubber prices also fell to new lows on the London market this week as the world recession continued to hit industrial demand. The RSS No. 1 spot price slipped 3p to 52p a kilo, the lowest level since the end of 1978.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1981 High	1981 Low
METALS					
Aluminium	£810/815	—	£810/815	£810/815	£780/70
Free Markets c.i.f.	$1430/1460	—24.5	$1,850/1,880	$1500/1530	$1400/1450
Antimony					
Free Market 99.6%	$2950/3050	—10	$3400/3450	$3200/3250	$2850/3050
Copper Cash Wire Bars	£853	+6.25	£949	£853	£755
3 months Do. Do.	£873.5	+4.75	£971.5	£873.5	£777.5
Cash Cathodes	£847	+9.75	£911.5	£847	£748.5
3 months Do	£862	+7.5	£911.5	£862	£765.5
Gold per oz	$523.5	—16	$477.5	$601	$453.5
Lead Cash	£344	+11	£455.5	£346.25	£273.75
3 months	£350.375	+11.125	£433	£350.75	£285.25
Nickel	£3,379.50	+20.85	£3,477	£3,379.5	£3,156
Free Market c.i.f. lb	285/300c	+5	285/315c	290/310c	270/290c
Platinum per oz	£213.50		£189/195	£213.50	£202
Free Market per oz	£234.40	—8.30	£260.45	£243.40	£185.60
Quicksilver (76lbs)	$415/425	—7.5	$400/412	$415/430	$355/365
Silver per oz	551.40p	—37.90	667.50p	671.20p	523.05p
3 months per oz	567.40p	—39	696.40p	695.70p	528.05p
Tin cash	£6,242.5	+22.5	£7702.5	£6,300	£5,700
3 months	£6,312.15	+47.5	£7,770	£6,407.5	£5,865.5
Tungsten Ind.	$149.08	+2.85	$141.56	$149.08	$140.56
Wolfram (22.04 lb)	$147/150	—2.25	$144/148	$151/155	$143/146
Zinc cash	£372.25	+23.75	£316.25	£372.25	£306.5
3 months	£380	+21.5	£320.5	£380	£316.25
Producers	$825	—	$825	$825	$823
GRAINS					
Barley					
Home Futures			£90.60	£102.80	£98.25
Maize					
French	£124.5	—	£116	£124.5	£119.75
WHEAT					
No. 1 Red Spring	£106.75	+5.5		£112.5	£102.5
Am. Hard Winter					
Eng. Milling (new crop)					
SPICES					
Cloves (g)	£4,500x	+200	£4,175	£4,500	£3,800
Pepper, white	£2,025x	—25	£2,650	£2,025	£2,000
black	£1,450x	—	£1,775	£1,650	£1,575
OILS					
Coconut (Philipines)	$535y	—30	$595	$640	$525
Groundnut 5%					
Linseed, Crude	£405	—8	£466	£460	£400
Palm Malayan	$565v	—	$610	$645	$585
SEEDS					
Copra (Philipines)	$365	—10	$465	$430	$350
Soyabeans (U.S.)	$325	+15	$261.5	$340	$298
OTHER COMMODITIES					
Cocoa Shipment	£1,034	+19	£1,457.2	£1,054	£915
Cocoa Futures May	£958.5	+19	£1,410.5	£958.5	£850.5
Coffee Futures May	£1068.5	+18.5	£1,663.5	£1,069	£985.5
Cotton Index	90.15c	—0.7	93.15c	101.15c	90.15c
Des Coconut	£690	—	£715	£680	£640
Jute LJ ABW C grade	£214x	—	£218	£221	£219
Rubber kilo	52p	—3	64.5p	59.25p	52p
Sago Pearl	£210x	—	£207	£210	£197
Sisal No. 3	£730	—	£685	£790	£780
Sugar (Raw)	£222	—19	£313	£315	£222
Tapioca No. 1	£215x	—	£205	£215	£207
Tea (quality) kilo	117p	—	140p		
(plain) kilo	66p	+1	59p		
Wooltops, 64s Warp	316p	+1	300p kilo	325p kilo	294 pkilo

Unquoted. (g) Madagascar. (y) April/May. (x) March/April. (w) April. (z) May. * Nominal.

MARKET REPORTS

BASE METALS

COPPER—Firmer in quiet trading on the London Metal Exchange as the decline in sterling and a strong opening on Comex saw forward metal rise from around £870 to a day's high of £875 prior to a close of £873. Turnover: 32,125 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	847.5-8.5	+2.75	852-4	+8
3 months	868-.5	+3	873.4	+7.75
Settlem't	848.5	+5	—	......
Cathodes				
Cash	842-.5	+3.75	846-8	+7
3 months	855-6	+4	851-3	+7.3
Settlem't	842.5	+3.5	—	......
U.S. Prod	—		*87-92	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £849, 48.5, 48, three months £871, 72, 71.5, 71, 70.5, 70, 69.5, 69. Cathodes, cash £842, three months £855.5. Kerb: Wirebars, three months £868.5, 68, 69.5. Afternoon: Wirebars, three months £871, 72, 71.5, 72, 72.5, 74, 74.5, 74. Cathodes, three months £859. Kerb: Wirebars, three months £873, 73.5, 74, 73, 72.

TIN—Little changed in quiet trading with the lessening tensions in Thailand prompting light profit-taking which left forward metal at £6,300 on the late Kerb. Turnover: 770 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	6235-40	-17.5	6235-50	-17.5
3 months	6305-10	-5	6310-5	-15
Settlem't	6240	-20	—	......
Standard				
Cash	6235-40	-17.5	6235-50	-17.5
3 months	6305-10	-5	6310-5	-15
Settlem't	6240	-20	—	......
Straits E.	£631	+9.68	—	......
New York	—		—	

Morning: Standard, cash £6,260, 40, 35, 30, 35, three months £6,340, 35, 25, 20, 15, 10. Kerb: Standard, three months £6,310, 05, 6,300. Afternoon: Standard, three months £6,320, 15. Kerb: Standard, three months £6,300, 05, 10, 15.

LEAD—Marginally firmer as the fall in sterling and general gains in other metals saw forward metal move ahead to £354 before closing the late Kerb at £349.5. Turnover: 11,700 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	344.5-5	+1	343.5-4.5	+4
3 months	351-.5	+3	350-.75	+5.87
S'ment	345	+1	......	......
U.S. Spot	—	......	*36	......

Morning: Cash £343, 42.5, 43, 44, 44.5, 45, *three months* £352, 51.5, 51, 51.5. Kerb: Three months £350.5, 51. Afternoon: Three months £351, 50.5, 51, 50, 49.5, 50, 51, 50.5. Kerb: Early-July £350, three months £350, 49.

ZINC—Sharply higher again on news that AM and S have followed Noranda and increased their European zinc producer price to $875. The AM and S news prompted heavy speculative demand which lifted forward metal from £375 to £384.5 before a close on the late Kerb of £380. Turnover: 15,250 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	374.5-5	+16.2	372-.5	+11.7
3 months	383.5-4	+15.2	379.5-80.5	-80.5
S'ment	375	+16	......	......
Primw'ts		......	*43.6	......

Morning: Cash £376, three months £380, 81, 82, 82.5, 82, 81.5, 82, 83, 84, 83.5, 84. Kerb: Three months £383, 82. Afternoon: Three months £381, 82, 81, 80, 79.5, 79, 79.5, 80. Kerb: Three months £380.

ALUMINIUM—Moved narrowly prior to closing the late Kerb at £652.5. Turnover: 6,025 tonnes.

Morning: Cash £641, three months £651, 50, 50.5. Kerb: Three months £650. Afternoon: Three months £651.5, 52, 51.5, 53, 52.5, 52, 53, 54, 53.5, 53. *Kerb: Three months £653, 52, 52.5, 53, 54, 55, 54, 53.*

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	641-.5	+3.25	644.4-5.5	+7
3 months	650-.5	+6.75	652.5-3	+8

NICKEL—Higher, reflecting the fall in sterling which left three months at £2,860 on the late Kerb. Turnover: 276 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
Spot	2835-8	+8	2840-50	+22.5
3 months	2840-5	+15	2849-51	+27.5

* Cents per pound. ‡ M$ per kilo. † On previous unofficial close.

Morning: Three months £2,835, 40, 45, 40. Kerb: Three months £2,845, 47. Afternoon: Three months £2,845, 50, 49, 48, 49, 50. Kerb: Three months £2,850.

SILVER

Silver was fixed 5.8p an ounce higher in the London bullion market yesterday at 551.4p. U.S. equivalents of the fixing levels were: spot $12.18, down 2c; three-month $12.613, down 0.2c; six-month $13.033, down 0.1c; and 12-month $13.951, down 0.7c. The metal opened at 549-558p ($12.15-$12.35) and closed at 549-558p ($12.10-$12.30).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	551.40p	+5.8	551p	+5.5
3 months	567.40p	+5.9	567p	+5.75
6 months	583.00p	+5.8	—	......
12months	618.00p	+5.8	—	......

LME—Turnover 123 (72) lots of 10,000 ozs. Morning: cash 551.5. Three months 570, 71, 70, 70.5, 70.1, 70.5, 68, 68.5, 68. Kerb: three months 568. Afternoon: three months 570, 69.5, 70, 70.5, 69.5, 69, 68, 67. Kerb: three months 587, 66.

COCOA

Cocoa futures continued to remain steady throughout a quiet day and light trade and Commission House buying in the absence of producer sales caused prices to make gains of £10. Actuals remained neglected, reports Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
May	938-939	+9.0	939-934
July	968-970	+9.5	970-963
Sept.	987-988	+8.0	988-982
Dec.	1009-1010	+9.0	1010-1002
March	1027-1028	+7.0	1029-1022
May	1044-1047	+7.0	1044-1042
July	1060-1067	+9.0	—

Sales: 2,050 (1,511) lots of 10 tonnes. ICCO Futures—Daily price for April 2: 96.42 (96.35): five-day average 95.65 (95.84).

COFFEE

A featureless session saw values open marginally lower before trade buying lifted prices by £7 from the lows during the afternoon, reports Drexel Burnham Lambert. A poor day's volume reflected the recent lack of physical activity and an unchanged fundamental situation.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1068-69	—0.5	1073-66
July	1066-68	+0.5	1070-63
Sept.	1062-64	—1.0	1065-59
Nov	1058-59	—2.5	1062-59
Jan	1059-65	+1.0	—
March	1054-62	+2.5	—
May	1049-62	—2.0	—

Sales: 1,163/1,478 lots of 5 tonnes. ICO Indicator prices for April 2: (U.S. cents per pound): Other Mild Arabicas 128.67 (128.83); Robustas ICA 1976 116.38 (115.00); ICA 1968 115.63 (115.25). Unwashed Arabicas 218.50 (same). Comp. daily ICA 1968 unquoted.

GRAINS

Old crop wheat opened unchanged to 10p lower. Trade commenced 20p down but some commercial buying covering steadied the market. May closed 68-85 lower on the day. Old crop barley had a quiet day with values closing about steady at unchanged. New crops saw further hedge selling in the nearbys which closed unchanged to 20p lower on the day, Acli reports.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterday close	+ or —
May	116.05	—0.85	99.65	......
July	118.65	—0.85	—	......
Sep	100.95	—0.15	95.90	—0.15
Nov	104.50	—0.05	99.40	—0.20
Jan	108.20	—0.20	103.00	......
Mar	112.10		106.45	+0.05

Business done—Wheat: May 116.50-115.70, July 19.50-118.50, Sept. 101.00-100.85, Nov. 104.50-104.25, Jan. no trades, Mar. 112.10-111.85. Sales: 235 lots of 100 tonnes. *Barley: May* 100.00-99.60, Sept. 96.00-95.80, Nov. 99.50-99.35, Jan. 103.00-102.90, Nov. 106.45-106.40. Sales: 194 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Hard Winter 13½ per cent April 105.75, May 105.25, June 103.75 transhipment east coast. English Feed fob April 118, May 119, June 120 quoted east coast. Maize: French April 124.50 transhipment east coast. S. African Yellow April/May 85.50. Barley: English Feed fob April 103.25, May 104.75 sellers east coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Other milling wheat: Eastern 114.50, N. East 115.00. Feed barley: Eastern 98.00, E. Mids. 99.50, N. East 98.60, Scotland 98.90. The UK Monetary Coefficient for the week beginning Monday April 6, will change to 0.871.

RUBBER

The London physical market opened easier, with fair covering interest at lower levels, closing quietly steady. Lewis and Peat reported an fob April price for No. 1 RSS in Kuala Lumpur of 259.0 (266.0) cents a kg and SMR 20 at 243.0 (245.5).

No 1. R.S.S.	Yest'r'ys close	Previous close	Business Done
May	55.50-54.00	55.70-54.40	—
June	54.90-56.00	54.50-56.40	—
Jly-Sept	57.50-57.70	57.60-57.70	57.80-56.70
Oct-Dec	60.60-60.70	60.50-60.80	60.80-59.80
Jan-Mar	63.50-63.80	63.40-63.50	63.80-62.80
Apl-Jne.	66.40-66.50	66.40-68.50	65.80
Jly-Sept	69.50-69.40	69.20-69.40	—
Oct-Dec	72.20-72.40	71.90-72.50	—
Jan-Mar	75.10-75.20	74.90-75.40	75.10-74.40

Sales: 280 (393) at 15 tonnes, nil (same) at 5 tonnes. Physical closing prices (buyer) were: Spot 52.00p (53.00p); May 55.75p (56.00p); June 56.50p (56.75p).

SOYABEAN MEAL

The market opened £2-£2.50 higher on shortcovering and chart buying, reports T. G. Roddick. Prices drifted on profit-taking but ran into fresh trade buying late in day and the market closed with gains of £1.50-£2.

	Yesterdys Close	+ or —	Business Done
	£ per tonne		
April	125.70-26.2	+1.29	126.50-26.00
June	127.50-27.9	+1.60	128.60-27.50
August	131.00-31.2	+2.25	131.30-29.90
October	132.70-32.8	+1.30	132.70-32.50
December	134.00-34.5	+1.25	134.50
February	136.00-37.0	+2.00	—
April	138.50-39.0	+1.75	—

Sales: 171 (80) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar £222.00 (£224.00) a tonne for cif April-May shipments. White sugar daily price £234.00 (£244.00).

The market opened around overnight levels and thereafter prices remained steady until later in the day when some pre-weekend shortcovering lifted quotations somewhat.

No. 4 Contract	Yest'rdy's Close	Previous Close	Business Done
	£ per tonne		
May	226.25-22.75	225.50-25.75	226.00-22.00
Aug.	222.75-22.00	222.75-25.00	225.00-21.75
Oct.	221.25-22.50	226.50-21.00	224.00-21.55
Jan.	214.00-21.00	212.00-13.00	212.00-21.00
March	214.75-21.00	212.50-15.00	214.90-21.00
May	214.50-21.00	212.00-13.50	214.50-21.00
Aug	215.00-21.00	212.50-15.50	210.50

Sales: 6,827 (7,369) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £342.6 (same) a tonne for home trade *and £289.00 (£300.50) for export.*

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean port. Prices for April 2: Daily price 20.35 (21.00); 15-day average 21.76 (21.80).

AMERICAN MARKETS

Thursday's closing prices

NEW YORK, April 2.

Precious metals were moderately higher on a further reduction in interest rates. Copper was mixed as light profit taking developed late in the day. Sugar sold off sharply on technical grounds along with a reaction to low prices on the Tunisian tender. Cocoa was mixed in a very narrow range in light trading. Coffee rallied on dealer interest and registered moderate gains. Heating oil firmed up slightly in reaction to the U.S. coal strike. The livestock complex finished mixed as the Bullish Trade attitude was moderated by weak product markets. Grains and soyabeans rallied sharply on the close on Commission House short cover and speculative buying based on drought expectations, reported Heinold.

††Cocoa—May 2053 (2048), July 2106 (2098), Sept. 2144, Dec. 2180, March 2225, May 2275, July 2340. Sales: 1,400.

Coffee—"C" Contract: May 127.30-127.50 (127.15), July 127.35-127.40 (126.94), Sept. 126.50, Dec. 124.30-124.50, March 122.80-123.00, May *123.29, July 123.25, Sept. 122.50-123.49.* Sales: 1,211.

Copper—April 85.80 (85.95), May 86.85-86.90 (87.00), June 87.90, July 88.90-89.00, Sept. 91.30, Dec. 94.20, Jan. 95.25, March 97.15, May 99.05, July 100.95, Sept. 102.85, Dec. 105.70, Jan. 106.65. Sales: 5,000.

Cotton—No. 2: May 86.10-86.30 (85.37), July 87.36-87.45 (86.95), Oct. 85.60, Dec. 82.85-82.95, March 83.80-83.95, May 84.50-85.00, July 85.00-85.00. Sales: 7,000.

*Gold—Apr. 517.0-518.60 (516.6), May 522.5 (522.0), June 528.0-529.0, Aug. 540.5-542.0, Oct. 553.1, Dec. *564.0, Feb. 577.7, Apr. 591.5, June* 602.3, Aug. 614.7, Oct. 627.1, Dec. 639.5, Feb. 652.0. Sales: 30,000.

Heating oil (cents per U.S. gallon)—May 0.9450 (0.9435), June 0.9530 (0.9510), July 0.9658, Aug. 0.9784, Sept. 0.9889, Oct. 1.0165, Nov. 1.0325, Dec. 1.0560, Jan. 1.0780, Feb. 1.1000, Mar. 1.1150. Sales: 874.

Orange Juice—May 148.60-148.90 (148.75), July 148.40-148.50 (148.45), Sept. 147.70-148.00, Nov. 146.00, Jan. 143.75, *Mar.* 144.45-144.75, May 145.10-145.50, July 145.90-146.50, Sept. 146.00-146.75. Sales: 2,100.

*Platinum — April 500.0-501.0 (501.4), May nil (nil), June nil, July 518.5-519.5, Oct. 537.0, Jan. 556.8, April 578.0. Sales: 2,083.

Potatoes (round whites)—Nov. 84.1 (83.4), Feb. 94.0-95.4 (93.0), Mar. 99.8-100.5, April 114.0. Sales: 173.

¶Silver—April 1212.0 (1208.0), May 1222.0-1225.0 (1220.0), June 1239.0, July 1258.0, Sept. 1285.0, Dec. 1335.0, Jan. 1346.0, Mar. 1375.0, May 1407.0, July 1437.5, Sept. 1468.0, Dec. 1514.0. Handy and Harman bullion spot 1211.00 (1210.00). Sales: 3,500.

Sugar—No. 11. May 20.20-20.35 (21.02), July 20.00-20.20 (21.04), Sept. 20.10-20.15, Oct. 20.15-20.20, Jan. 19.50, Mar. 19.50-19.60, May 19.70, July 19.90-20.00, Sept. 19.80. Sales: 10,606.

Tin—640.00-649.00 (639.00-644.00).

CHICAGO, April 2.

Lard—Chicago loose 19.00 (19.25).

Chicago Imm Gold—April 518.5 (517.0), May nil (nil), June 528.5-529.0, July 534.1, Sept. 547.0, Oct. 553.0, Dec. 566.0, Jan. 570.6, Mar. 586.0, April 589.0.

Live Cattle—April 63.65-63.75 (63.75), June (68.10-68.20 (68.35), Aug. 69.15-69.10, Oct. 67.57-67.65, Dec. 69.00-68.90, Feb. 69.90, April 70.40.

Live Hogs—April 42.25-42.35 (42.35), June 49.05-49.00 (49.02), July 51.55, 51.60, Aug. 51.75-51.80, Oct. 52.25, 52.20, Dec. 54.70-55.15, Feb. 56.50, April 55.35, June 57.75.

‡‡Maize—May 363¾-363½ (362), July 372¾-372 (371¼), Sept. 378¾-378, Dec. 383-382, March 391, May 396½-396.

Pork Bellies—May 53.40-53.80 (53.05), July 54.30-55.05 (54.30), Aug. 54.90-54.75, Feb. 69.65-69.90, March 69.30.

†Soyabeans—May 794-797 (774½), July 818-821 (797½), Aug. 831-832, Sept. 836, Nov. 850-852, Jan. 869-869½, March 889, May 902.

‖Soyabean Meal—May 225.0-226.0 (219.7), July 234.0-233.0 (227.5), Aug. 236.5-237.0, Sept. 238.5-239.0, Oct. 240.0, Dec. 244.0-245.0, Jan. 246.5, March 249.0, May 251.0.

Soyabean Oil—May 25.23-25.25 (24.91), July 26.00-25.95 (25.68), Aug. 26.30-26.35, Sept. 26.50, Oct. 26.75-26.80, Dec. 27.45-27.40, Jan. 27.55-27.50, March 28.05-28.15, May 28.55-28.65, July 28.95-29.05.

†Wheat—May 436½-436 (430¾), July 443-442 (436½), Sept. 457, Dec. 478½-478, March 496.

WINNIPEG, April 2. §Barley—May 147.50 (146.50), July 148.50 (147.60), Oct. 147.50, Dec. 146.60, March 145.30.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 259.92.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen. †† $ per metric ton.

INDICES

FINANCIAL TIMES

April 2	April 1	Month ago	Year ago
262.55	261.25	257.05	286.90

(Base: July 1, 1952=100).

MOODY'S

April 2	April 1	Month ago	Year ago
1126.9	1129.3	112.52	118.10

(December 31, 1931=100).

DOW JONES

Dow Jones	April 2	April 1	Month ago	Year ago
Spot	420.02	418.02	414.36	410.05
Fut'rs	427.64	428.23	427.85	425.75

(Average 1924-25-26=100)

REUTERS

April 3	April 2	M'nth ago	Year ago
1698.7	1696.7	1724.3	1705.6

(Base: September 18, 1931=100)

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on April 3. GB—*Cattle 90.81p per kg* lw (+1.38). UK—Sheep 177.03p per kg est dcw (−0.97). GB—Pigs 72.38p per kg lw (+1.47).

POTATOES

LONDON POTATO FUTURES—April eased slightly closing just off lows with good interest in a narrow range. Nov.-Feb. switching put pressure on Nov., with differential regaining the previous day's loss. Closing prices: April 50.70, −50, (high 51.00, low 50.60); Nov. 59.10, −60, (high 59.50, low 59.00); Feb. 67.70, unchanged, (high 67.80, low 67.60). Turnover: 198 (233) lots of 40 tonnes.

LONDON DAILY PRICE—Raw sugar £22.00 (£224.00) a tonne for cif April-May shipments. White sugar daily price £234.00 (£244.00).

Stock Exchange business done

The list below, restricted mainly to equities to conserve space, has been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission. It shows prices at which business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange's Talisman *checking system*.

The prices are not in order of execution, but in ascending order which denotes the day's highest and lowest dealing price.

For those shares in which no business was recorded in Thursday's Official List, the latest recorded business done during the previous four business days is given with relevant dates appended. The number of bargains done on Thursday in each section is shown against the respective sub-headings. Unless otherwise indicated the shares are 25p fully-paid.

‡ Bargains at special prices *Δ Bargains done with a non-member or* executed in overseas market. ⊕ Bargains done previous day. $A—$Australian; SB—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BANKS, DISCOUNT (968)

BREWERIES (767)

COMMERCIAL (17,399)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

INSURANCE (878)

INVESTMENT TRUSTS (1,047)

FINANCIAL TRUSTS (522)

Royal T-shirt ban absurd, says MP

MR. GREVILLE JANNER, Labour MP for Leicester West, yesterday tabled a Commons motion in support of his campaign urging Buckingham Palace to rescind its request that pictures of Prince Charles and Lady Diana Spencer should not be used on souvenir royal wedding T-shirts.

The motion describes the discrimination against T-shirts, compared with tea-towels and headscarves, as illogical and "teetering on the brink of absurdity."

BASE LENDING RATES

A.B.N. Bank	12 %	■ Hambros Bank	12 %
Allied Irish Bk.	12 %	Heritable & Gen. Trust	12 %
American Express Bk.	12 %	■ Hill Samuel	§12 %
Amro Bank	12 %	C. Hoare & Co.	†12 %
Henry Ansbacher	12 %	Hongkong & Shanghai	12 %
AP Bank Ltd.	12 %	Keyser Ullmann	12 %
■ Arbuthnot Latham	12 %	Knowsley & Co. Ltd.	14 %
Associates Cap. Corp.	12 %	Langris Trust Ltd.	12 %
Banco de Bilbao	12 %	Lloyds Bank	12 %
BCCI	12 %	Mallinhall Limited	12 %
Bank of Cyprus	12 %	Edward Manson & Co.	13 %
Bank of N.S.W.	12 %	Midland Bank	12 %
Banque Belge Ltd.	12 %	■ Samuel Montagu	12 %
Banque du Rhone et de la Tamise S.A.	12½%	■ Morgan Grenfell	12 %
Barclays Bank	12 %	National Westminster	12 %
Beneficial Trust Ltd.	13 %	Norwich General Trust	12 %
Bremar Holdings Ltd.	13 %	P. S. Refson & Co.	13 %
Brit. Bank of Mid. East	12 %	Rossminster	12 %
■ Brown Shipley	12½%	Ryl. Bk. Canada (Ldn.)	12 %
Canada Perm't Trust	13 %	Slavenburg's Bank	12 %
Cayzer Ltd.	12 %	E. S. Schwab	13 %
Cedar Holdings	12 %	Standard Chartered	‖12 %
■ Charterhouse Japhet	12 %	Trade Dev. Bank	12 %
Choulartons	12 %	Trustee Savings Bank	12 %
C. E. Coates	12 %	TCB Ltd.	12 %
Consolidated Credits	12 %	United Bank of Kuwait	12 %
Co-operative Bank	*12 %	Whiteaway Laidlaw	12½%
Corinthian Secs.	12 %	Williams & Glyn's	12 %
The Cyprus Popular Bk.	12 %	Wintrust Secs. Ltd.	12 %
Duncan Lawrie	12 %	Yorkshire Bank	12 %
Eagil Trust	12 %		
E. T. Trust Limited	12 %		
First Nat. Fin. Corp.	14½%		
First Nat. Secs. Ltd.	14½%		
Robert Fraser	12 %		
Antony Gibbs	12 %		
Greyhound Guaranty	12 %		
Grindlays Bank	‡12 %		
■ Guinness Mahon	12 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 9%, 1-month 9½%. Short term £4,000/12 months 11.85%.
† 7-day deposits on sums of £10,000 and under 9%, up to £50,000 9½%, and over £50,000 10½%.
‡ Call deposits £1,000 and over 9%.
§ *Demand deposits 9½%.*
‖ 21-day deposits over £1,000 10½%.

EUROPEAN OPTIONS EXCHANGE

Series		May Vol.	May Last	Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Stock
GOLD C	F.500	51	40	7	66	—	—	F.523.50
GOLD C	F.525	30	25	166	49	21	67	"
GOLD C	F.550	170	12	158	33.60	17	—	"
GOLD P	F.500	35	9.50	4	19	—	50 A	"
GOLD P	F.525	—	—	15	30	—	—	"
GOLD P	F.550	1	38	—	—	—	—	"
		June		Sept.		Dec.		
SEAR C	$15	65	4⅛	—	—	—	—	$19⅛
		April		July		Oct.		
ABN C	F.280	1	14	—	—	—	—	F.292
ABN C	F.300	6	2.50	16	7	—	—	
AKZO C	F.15	—	—	4	8.40	—	—	F.23.40
AKZO C	F.17.50	39	5.70	20	5.80	15	6.20	"
AKZO C	F.20	154	3.50	265	3.70	40	4B	"
AKZO C	F.22.50	71	1.10B	87	2	45	2.70	"
AKZO C	F.25	35	0.30	77	1.10	14	1.70	"
AKZO P	F.17.50	—	—	—	—	3	0.70	"
AKZO P	F.20	—	—	—	—	3	1.10	"
AKZO P	F.22.50	—	—	22	1	—	—	"
AKZO C	F.25	—	—	10	2	—	—	"
AMRO C	F.60	—	—	6	1.10	—	—	F.56.10
KODA C	$70	—	—	1	14¼	—	—	$82⅞
KODA C	$80	3	3¾	—	—	—	—	"
KODA C	$90	—	—	—	—	3	5½	"
HEIN C	F.55	5	4.50	—	—	—	—	F.59.20
HEIN C	F.60	—	—	5	2.40	4	3.30	"
HOOG C	F.15	20	5.50	—	—	—	—	F.20
HOOG C	F17.50	14	2.70	19	3.50	—	—	"
HOOG C	F.20	42	1.10	20	2	22	2.80	"
IBM C	$65	5	¾	—	—	2	5¼	$62⅝
IBM C	$70	—	—	10	1½	—	—	"
IBM C	$60	—	—	5	2	—	—	"
KLM C	F.70	3	26	3	26.50 A	—	—	F.95.20
KLM C	F.80	10	16	6	16.50	—	—	"
KLM C	F.90	8	8	—	—	2	15	"
KLM C	F.100	82	2.60	33	8.50	5	10	"
KLM C	F.110	20	0.50	17	3.50	4	7	"
KLM C	F.70	1	0.10	2	1.30	—	—	"
KLM P	F.80	—	—	20	3.30	—	—	"
KLM P	F.90	31	2.60	10	5.30	—	—	"
NATN C	F.120	—	—	5	6.50	—	—	F.122.30
NATN C	F.125	—	—	—	—	2	5.50	"
NATN C	F.130	—	—	—	—	1	3.50	"
PHIL C	F.15	35	6.20	3	6.10B	9	6.20	F.20.90
PHIL C	F.17.50	290	3.60	105	38.0	51	3.90	"
PHIL C	F.20	1292	1.10	597	1.70	368	2.10	"
PHIL C	F.22.50	—	—	398	0.70	125	1.10	"
PHIL P	F.17.50	—	—	18	0.20	—	—	"
PHIL P	F.20	—	—	148	0.80	123	1.20	"
PHIL P	F.22.50	—	—	—	—	10	3	"
POLA C	$25	—	—	2	⅝	—	—	$29⅜
RD C	F.85	20	6.80 A	—	—	—	—	F.91.50
RD C	F.90	17	3.70	8	5.40	2	8	"
RD C	F.95	89	1	102	2.30	—	—	"
RD C	F.100	46	0.40	60	1.70	7	4	"
RD C	F.110	3	0.10	72	0.70	15	1.90	"
RD P	F.85	367	0.40	—	—	—	—	"
RD P	F.90	115	1.40	66	4.30	24	6	"
RD P	F.95	121	4.40	33	7.20	—	—	"
RD P	F.100	53	8.60	7	12	—	—	"
UNIL C	F.130	—	—	4	11 A	5	11	F.138.80
UNIL C	F.140	—	—	41	2.40 A	18	4.30	"
UNIL P	F.120	—	—	9	0.30	—	—	"
UNIL P	F.135	—	—	6	4.20	—	—	"
		May		Aug.		Nov.		
BASF C	DM.140	—	—	18	1.50	—	—	DM135
SLUM C	$100	5	6⅛	—	—	—	—	$102⅛
SLUM C	$110	10	2	—	—	—	—	"
VEBA C	DM.130	—	—	4	8.50	—	—	DM137.10
VEBA C	DM.140	—	—	2	3	—	—	"
VW C	DM.150	—	—	20	16	—	—	DM162
VW C	DM.160	10	4.50	14	7	—	—	"
VW C	DM.170	30	0.50	36	2	—	—	"

TOTAL VOLUME IN CONTRACTS 7149

A=Asked B=Bid C=Call P=Put

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ACTIVE STOCKS

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of price changes	Thurs. closing price pence	Day's change	Stock	No. of price changes	Thurs. closing price pence	Day's change
ICI	34	258	+14	De Beers Dfd.	19	383	+10
BP	29	390	+18	GKN	19	152	+ 7½
Shell	23	376	+12	Marks Spencer	19	128	+ 3
BICC	22	248	+16	GEC	18	693	+ 6
Ultramar	22	490	+18	LASMO	18	583	+ 8
Beecham	21	183	+ 5	Plessey	18	335	+ 2
Glaxo	20	322	+14	Charterhall	17	78	+ 4

ON THE WEEK—

Based on bargains over the five-day period ending Thursday

Stock	No. of price changes	Thurs. closing price pence	on week	Stock	No. of price changes	Thurs. closing price pence	on week
ICI	152	258	+22	ICL	106	44	+ 8
GEC	145	693	+26	GKN	104	152	+ 6
Shell (Trans.)	143	376	− 7½	Ultramar	100	490	—
BP	113	390	+10	Marks Spencer	98	128	+ 2
LASMO	110	583	−12	RTZ	98	467	− 6
Plessey	109	335	+22	IC Gas	97	222	+ 2
Cons. Gold	107	478	+15	KCA	97	205	+ 6

Computer and Systems Eng. 875 80 3 (1/4)
Computer Stores US$16.5 (30/3)
Conroy Pet. and Nat. Res. 220 30 5 305* (1/4)
Darling Fund 180 (27/3)
Doltenoe 11 ¼ ½ 12
Dollar Land 22 4 (27/3)
East Anglian Secs. 8pcCnv. £100 (30/3)
Eastern Counties Newspapers 111 (1/4)
Edinburgh Secs. 260 1 4
Eglinton Oils and Gas 154 5 8 63 5
Eldridge Pope A 275 ¾ 80 (27/3)
Exchem 102
Exeter Bldg. and Const. 100
Flight Spares 183¼ (1/4)
Fruit Importers of Ireland 59* (30/3)
Gaelic Oil 187 235* (1/4)
Gibson (W.) 4½pcPf. 18 20 (31/3)
Grampian TV 40 (1/4)
GRA Prop. Tst. 12 33-64ths ¾ 13 ½ 14 ½
Grendon Tst. £1½ ¾ (1/4)
Guernsey Gaslight 330 (1/4)
Harrison Cowley 81 (31/3)
Harvey and Thompson 58
Heavitree Brewery A 660 (31/3)
Hemerdon Mng. and Smltg. 73 ¼ 5 ¾ 7 8 30 (1/4)
Hodgkins Millar 2 (31/3)
Intervision Video (Hldgs.) Pfd. 54½
Intervision Video (Hldgs.) 7pcCnv.Pf. 176 89 90
Jacks (Wm.) 5pcPf. 30 (27/3)
Jayplant 9 ½ (1/4)
Jenkin and Purser 7 ¼ 8 (1/4)
Jennings Bros. 110 (31/3)
Jessel Tst. 14½ 15 ½ 16 ½ (1/4)
Jessel Tst. New 4½ 33-64ths 5 ¼ ½ 6 ¼ ½ (1/4)
Johnson and Barnes 26 (1/4)
Kenmare Oil Exploration 35
Kennedy Brookes 110 ¾
Le Riches Stores 219½ 27 (1/4)
Lifeguard Ass. 260½
Mainline Elect. 1½ ¼ 2 ¼ ½ (1/4)
Mainline Elect. 12pcCnv.Pt.Pfd.Rd. 2 (30/3)
Mapalagama 23½ 4 (31/3)
Manchester Utd. FC 185 (30/3)
Manx Petroleum 43 (1/4)
Nationwide Leisure 10
Nimslo European 660 (1/4)
Nimslo European 14pcAUns. Ln. £85 (31/3)
Nimslo European 14pcBUns.Ln. £55.30 (1/4)

NMW Computers 10.55 .57 .75 .85 11.125 (1/4)
North Sea Assets 137 ¾
Norton Villiers Triumph 1
Nuthalls Caterers 87½ 8½ (1/4)
ORE 158
Oil and Gas Ex. 80* 2* (31/3)
Oldham Brewery 69 ½ 72 3
Oldham Ests. 150 2 (1/4)
PMPA Insce. 70 (1/4)
Plantation and Gen Invs. 70 (1/4)
Quest Automation 169 (1/4)
Rangers FC £13 (30/3)
Roche Plant 26 ¼ (31/3)
St. Austell Brewery 5pcPf. 34 (30/3)
Salvesen 5.6pcPf. 48¾ 9 (30/3)
Savoy Hydro £13.25 (27/3)
Saxon Oil 50 5 (1/4)
Sheraton Sec. Intnl. 20 ¼ ¾ 1 ½ ¼ (1/4)
Southern Newspapers 160 ½ 3
SPO Minerals 132
Star Offshore Services 67 (31/3)
Swan Hunter 1
Thermal Syndicate 8pcPf. 11½ 12½ (27/3)
Twinlock 9 (1/4)
Twinlock 15pcLn. 1976-88 £72 (31/3)
Utd. Friendly Insce. 8 207 (27/3)
Vickers Da Costa 90½ (1/4)
Webber Electro Comps. 135
Wetabix A (Non-Vtg.) 81 (4/1)
Welsh Inds. Inv. Tst. 170 (31/3)
Welsh Inds. Inv. Tst. Pfd. 170 (31/3)
Wessex Water Authority 4½pc 1987 £60 (30/3)
Wessex Water Authority 5½pc 1982-87 £50 (30/3)
Wolverhampton Race Course 580 90 (27/3)
Yelverton Invs. 45 6½ (31/3)

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration.

Aran Energy 390 2 5
Berkeley Exploration and Production (50p Paid) 298 300 1 2 3 ½
Candecca Resources 204 5 6 7 8 ½ 9
Floyd Oil Participations 130 2 3 5½
Marinex Petroleum 140 2 ½ 5
Sun Oil (UK) Oil Royalty 420 30 40

(By permission of the Stock Exchange Council)

...

Utd. Overseas Bank 142
Utd. Overseas Land 790 6 ¼ 8. Wrrnts. 26½
U.S. Steel US$28 (31/3)
Vaal Consd. 25⅛ 8 3-64ths ⅛ 9 30 4
Vam 28 (1/4)
Vernitron 950
Vulcan Mins. 212½ (31/3)
Waltons 53 (27/3)
Warrior Res. 235 40
West Aust. Onshore Oil 12
West Coast Hldgs. 13 14
West Jay Pet. 80
Western Res. 42½ 3
Western Res. New 18½ (1/4)

British Granite 5 (27/3)
Caledonian Offshore 260 (31/3)
Caledonian Offshore 4pcCnv. (£5 Pd.) £40 (27/3)
Cambridge Petroleum Royalties 310 (1/4)
Camra (Real Ale) Invs. 95 ¾ (30/3)
Carlton Real Ests. 29 ½ 30 (1/4)
Carlton Real Ests. (10p) 29 ½ 30 (1/4)
Castletown Brewery 485
Celtic Basin Oil Expl. 130 6 (27/3)
Ceylon and India Planters 204 ½ (31/3)
Channel Hotels and Props. 15 ¾ 16 (1/4)
Clairmace 10½ ½ (1/4)
Comcl. Bk. of Wales 67
Comcl. and Indl. Secs. 160 (1/4)

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

UK MONEY MARKET

Bank of England Minimum Lending Rate 12 per cent (from March 10, 1981)

The Treasury bill rate fell by 0.1029 per cent at yesterday's tender to 11.4276 per cent, and the minimum accepted bid rose to £97.15 from £97.125. Bids at that level were met as to about 45 per cent and above in full. The £100m of bills on offer attracted bids of £536.265m, and all bills offered were allotted. Next week a further £100m of bills will be on offer, replacing a similar amount of maturities.

In the money market day to day credit remained in good supply, and the authorities took out some of the surplus by selling a moderate amount of Treasury bills direct to discount houses. The latter were paying 11-11¼ per cent for secured call loans at the start, with later balances taken down to 6 per cent. The market was faced with the call on Exchequer 12½ per cent 1990, and a moderate increase in the note circulation. There was also a small number of commercial bills maturing in official hands, and the unwinding of a previous sale and repurchase agreement, involving a small number of bills. On the other hand Government disbursements exceeded revenue transfers to the Exchequer by a large amount, and banks brought forward balances a moderate way above target. In addition there was a moderate amount of Treasury bills maturing outside official hands.

In the interbank market weekend money opened at 11⅝-11¾ per cent and eased to 5-7 per cent before closing at 8-10 per cent.

EXCHANGES AND BULLION

Currencies fluctuated sharply in currency markets yesterday after lunch, reflecting for the most part activity out of New York, as tension mounted over the situation in Poland. Trading in the morning was extremely quiet ahead of the weekend, but as the U.S. entered the market so the dollar attracted good demand. Sterling suffered mostly as a result of the dollar's rise, while later in the afternoon, the dollar fell back but sterling failed to recover. The dollar closed at DM 2.21210 against the D-mark against DM 2.1090 on Thursday, having been as high as DM 2.1375 at one point. Against the Swiss franc, it finished at SwFr 1.9340 from SwFr 1.9240, but eased slightly in terms of the Japanese yen to Y213.10 from Y213.90. On Bank of England figures, the dollar's trade weighted index rose to 101.0 from 100.2.

Sterling lost ground quite sharply. Its trade weighted index finished at 99.5 from 100.1, having stood at 99.7 at noon and in the morning. Against the dollar it opened at $2.2100, and traded within a narrow range until after lunch. Its best level was $2.2150, but dollar demand saw it fall to a low of $2.1950. It recovered slightly at the close, but was still 2.35 cents down at $2.2050-2.2060.

The Belgian franc was weak within the European Monetary System, and was fixed at its lower intervention point in Frankfurt against the D-mark at DM 6.099 per BFr 100.

Gold rose $3 an ounce in the London bullion market to $522-525, a fall on the week of $16.

THE POUND SPOT AND FORWARD

April 3	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1950-2.2150	2.2050-2.2060	0.47-0.57c dis	−2.83	1.40-1.50dis	−2.63
Canada	2.6000-2.6170	2.6090-2.6100	1.10-1.20c dis	−5.29	3.00-3.15dis	−4.71
Nethlnd.	5.18-5.23	5.18¾-5.19¾	1½-½c pm	1.44	2½-1½ pm	1.54
Belgium	76.80-77.20	76.90-77.00	125-145c dis	−21.05	160-180 dis	−8.84
Denmark	14.73-14.83	14.73-14.75	1½-3½ore dis	−2.03	7½-9½ dis	−2.24
Ireland	1.2850-1.2965	1.2885-1.2900	0.18-0.31p dis	−2.28	0.69-0.83dis	−2.36
W. Ger.	4.67-4.72	4.67½-4.68½	par-½pf dis	−0.64	½-¾ dis	−0.43
Portugal	126.10-126.80	126.45-126.65	par-75c dis	−3.55	15-190 dis	−3.24
Spain	190.50-191.70	191.05-191.25	55-90c dis	−4.55	185-245 dis	−4.50
Italy	2,331-2,345	2,333-2,335	13½-15½ lire dis	−7.45	44-47 dis	−7.80
Norway	11.94-12.01	11.96-11.98	1¼ore pm-½ dis	0.31	1¾ pm-¼ dis	0.08
France	11.01-11.12	11.01½-11.02½	1-2c dis	−1.63	4¼-5¼ dis	−1.72
Sweden	10.20-10.25	10.21½-10.22½	2⅞-3⅞ore dis	−3.96	7½-8½ dis	−3.18
Japan	468-475	469½-470½	2.15-1.80y pm	5.04	5.80-5.20 pm	4.59
Austria	33.15-33.35	33.23-33.28	4gro pm-1 dis	0.54	8 pm-2 dis	0.38
Swiz.	4.26-4.31	4.26¼-4.27¼	2-1c pm	4.22	5-4 pm	4.22

Belgian rate is for convertible francs. Financial franc 80.80-80.90. Six-month forward dollar 2.95-3.05c dis, 12-month 5.00-5.20c dis.

GOLD

	April 3		April 2	
Gold Bullion (fine ounce)				
Close	$522-525	(£237-238¼)	$519-522	(£232¾-234¼)
Opening	$521-524	(£235¾-237¼)	$516-519	(£230¼-231½)
Morning fixing	$523.50	(£236.450)	$517	(£230.939)
Afternoon fixing	$523	(£237.511)	$519.50	(232.262)
Gold Coins				
Krugerrand	$539-540	(£244¾-245¼)	$534-535½	(£239½-240½)
1/2 Krugerrand	$278-279	(£126¼-126¾)	$275-277	(£123½-124½)
1/4 Krugerrand	$142-143	(£64½-65)	$140-142	(£62¾-63¾)
1/10 Krugerrand	$58-59	(£26¼-26¾)	$58-60	(£26-27)
Mapleleaf	$537-539	(£243¾-244¾)	$529½-530½	(£237½-238)
New Sovereigns	$130½-131½	(£59¼-59¾)	$130-131	(£58¼-58¾)
King Sovereigns	$150-152	(£68-69)	$150-152	(£67¼-68¼)
Victoria Sovs.	$150-152	(£68-69)	$150-152	(£67¼-68¼)
French 20s	$170-173	(£77¼-78½)	$170-172	(£76¼-77¼)
50 pesos Mexico	$646-651	(£293¼-295½)	$643-647	(£288½-290¼)
100 Cor. Austria	$504-509	(£228¾-231)	$502-507	(£225¼-227½)
$20 Eagles	$632-637	(£287-289¼)	$630-635	(£282¾-285)

EXCHANGE CROSS RATES

April 2	PoundSterling	U.S. Dollar	Deutschem'k	Japan'se Yen	FrenchFranc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.206	4.680	470.0	11.02	4.268	5.193	2334.	2.610	76.95
U.S. Dollar	0.453	1.	2.122	213.1	4.997	1.935	2.354	1058.	1.183	34.89
Deutschemark	0.214	0.471	1.	100.4	2.355	0.912	1.110	498.7	0.558	16.44
Japanese Yen 1,000	2.128	4.695	9.957	1000.	23.45	9.080	11.05	4966.	5.552	163.7
French Franc 10	0.907	2.001	4.247	426.5	10.	3.873	4.712	2118.	2.368	69.83
Swiss Franc	0.234	0.517	1.097	110.1	2.582	1.	1.217	546.9	0.611	18.03
Dutch Guilder	0.193	0.425	0.901	90.52	2.122	0.822	1.	449.5	0.503	14.82
Italian Lira 1,000	0.428	0.945	2.005	201.4	4.722	1.828	2.225	1000.	1.118	32.97
Canadian Dollar	0.383	0.845	1.793	180.1	4.223	1.635	1.990	894.4	1.	29.49
Belgian Franc 100	1.300	2.866	6.082	610.8	14.32	5.546	6.748	3033.	3.391	100.

FT LONDON INTERBANK FIXING (11.00 a.m. APRIL 3)

3 months U.S. dollars		6 months U.S. dollars	
bid 14 1/2	offer 14 5/8	bid 14 1/2	offer 14 5/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

April 2 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills Φ	Eligible Bank Bills Φ	Fine Trade Bills Φ
Overnight	—	5-11⅝	10½-11½	—	—	10-11½	6-11½	—	—	—
2 days notice	—	—	11¾-12	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	11⅝-11⅞	12-12¼	—	12¼	11⅞-12¼	11¼-11¾	—	—	—
One month	12 1/16-12 3/16	12 3/16-12 5/16	12-12¼	13¼-12⅞	12⅛	12⅛	11¾-11⅞	11 9/16-11 11/16	11 11/16	12 1/16
Two months	12¼-12⅜	12 5/16-12 7/16	—	13-12⅝	12½	12½	11¾	11⅝	11⅝	12 1/16
Three months	12 1/16-12⅛	12⅛-12 5/16	12⅛	12⅞-12½	12½	12½	11⅝	11 11/16	11 9/16	12¼
Six months	11 15/16-11 15/16	12-12 1/16	11⅞-12⅛	12⅜-12¼	12⅜	12½	—	—	11 7/16	11¾
Nine months	11 13/16-11 15/16	11 15/16-12⅛	—	12½-12⅛	12 3/16	12⅜	—	—	—	—
One year	11 13/16-11¾	11 15/16-12⅛	12	12¼-12	12⅛	12⅜	—	—	—	—
Two years	—	—	12½	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 12⅞-13 per cent; four years 13 per cent; five years 13⅛-13¼ per cent. ΦBank bill rates in table are buying rates for prime paper. Buying rates for four-months bank bills 11½-11 9/16 per cent; four-months trade bills 12⅛ per cent.

Approximate selling rate for one-month Treasury bills 11 9/16-11 19/32 per cent; two-months 11½ per cent; three-months 11 5/16-11 11/32 per cent. Approximate selling rate for one-month bank bills 11 13/16-11⅞ per cent; two-months 11¾ per cent; three-months 11½-11 9/16 per cent; one-month trade bills 12 5/16 per cent; two-months 12 3/16 per cent and three-months 12 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from April 1, 1981. Clearing Bank Deposit Rates for sums at seven days' notice 9 per cent. Clearing Bank Rates for lending 12 per cent. Treasury Bills: Average tender rates of discount 11.4276 per cent.

CURRENCY MOVEMENTS

April 3	Bank of England Index	Morgan Guaranty Changes%
Sterling	99.5	−27.1
U.S. dollar	101.0	−3.7
Canadian dollar	86.4	−17.2
Austrian schilling	116.3	+22.2
Belgian franc	107.6	+9.3
Danish kroner	89.4	−10.5
Deutsche mark	121.1	+40.9
Swiss franc	135.2	+78.2
Guilder	112.4	+16.4
French franc	86.8	−9.6
Lira	59.5	−55.1
Yen	142.9	+39.2

Based on trade weighted changes from Washington agreement December, 1971. Bank of England Index (base average 1975=100).

EURO-CURRENCY INTEREST RATES (Market closing Rates)

April 3	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	11¼-11¾	14⅛-14¾	16-17	9½-9¾	8-8½	12-12¼	11¾-12	17½-19½	40-80	5¾-6¼
7 days' notice	11¾-11⅞	14½-14¾	16-17	9¼-9¾	6¼-6¾	12⅛-12¼	12-12¼	18¼-19¾	40-45	6¼-6½
Month	12⅛-12¼	14⅝-14⅞	16⅞-17¼	10-10 3/16	7⅛-7¼	12 5/16-12 7/16	12¾-13	19-20	32-36	6⅞-7⅛
Three months	12 3/16-12 5/16	14⅝-14⅞	16⅝-17	10⅜-10½	7½-7⅝	12½-12⅝	13-13⅜	19½-20½	20½-22½	7½-7⅝
Six months	12 1/16-12 3/16	14⅝-14⅞	15½-15⅞	10⅜-10½	7¼-7⅞	12 7/16-12 9/16	13¼-13⅝	19½-20½	16½-18½	7 7/16-7 9/16
One Year	12⅛-12¼	14½-14¾	15-15⅝	10½-10 11/16	7⅝-7¾	11 13/16-11 15/16	13⅜-13¾	19-20	14½-16½	7¾-8

SDR linked deposits: one-month 12½-12⅞ per cent; three-months 12 9/16-12 15/16 per cent; six-months 12 9/16-12 15/16 per cent; one-year 12⅝-12⅞ per cent.

ECU linked deposits: one-month 13 5/16-13 9/16 per cent; three-months 13¼-13⅝ per cent; six-months 13⅛-13½ per cent; one-year 12⅞-13⅛ per cent.

Asian $ (closing rates in Singapore): one-month 14⅝-14¾ per cent; three-months 14⅝-14¾ per cent; six-months 14⅝-14¾ per cent; one-year 14 7/16-14 9/16 per cent.

Long-term Eurodollar two-years 14⅝-14⅞ per cent; three-years 14⅝-14⅞ per cent; four years 14⅝-14⅞ per cent; five-years 14⅝-14⅞ per cent; nominal closing rates. Short-term rates are call for U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 12.40-12.50 per cent; three-months 12.40-12.50 per cent; six-months 12.35-12.45 per cent; one-year 12.30-12.40 per cent.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 3	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7985	41.5919	+1.94	+1.91	±1.5361
Danish Krone	7.91917	7.98384	+0.82	+0.79	±1.6413
German D-Mark	2.54502	2.53683	−0.32	−0.35	±1.1386
French Franc	5.99526	5.98669	−0.14	−0.17	±1.3638
Dutch Guilder	2.81318	2.81126	−0.07	−0.10	±1.5159
Irish Punt	0.685145	0.696038	+1.59	+1.56	±1.6688
Italian Lira	1262.92	1263.41	+0.04	+0.04	±4.1116

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

April 3	£	$		£ Note Rates
Argentina Peso	6723-6743	3050-3060	Austria	33.05-33.45
Australia Dollar	1.9051-1.9055	0.8625-0.8630	Belgium	80.25-81.05
Brazil Cruzeiro	167.52-168.52	76.15-76.55	Denmark	14.70-14.85
Finland Markka	9.004-9.019	4.0890-4.0910	France	11.03-11.13
Greek Drachma	113.177-116.049	51.70-51.80	Germany	4.68-4.72½
Hong Kong Dollar	11.72½-11.74½	5.3270-5.3300	Italy	2280-2360
Iran Rial	168.50*	75.20*	Japan	471-476
Kuwait Dinar(KD)	0.604-0.610	0.2748-0.2751	Netherlands	5.18-5.23
Luxembourg Frc.	76.90-77.00	34.87-34.89	Norway	11.97-12.09
Malaysia Dollar	5.0425-5.0525	2.2900-2.2930	Portugal	125-128
New Zealand Dlr.	2.4305-2.4356	1.1030-1.1040	Spain	164-195
Saudi Arab. Riyal	7.37-7.43	3.3510-3.3530	Sweden	10.20-10.30
Singapore Dollar	4.61-4.62	2.0945-2.0975	Switzerland	4.26½-4.31
Sth African Rand	1.7765-1.7785	0.8055-0.8065	United States	2.19-2.21
U.A.E. Dirham	8.08-8.14	3.6720-3.6740	Yugoslavia	77-80

April 1 Malaysia Dollar/Sterling 5.0990-5.1090. Rate given for Argentina is free rate. *Selling rate.

U.K. CONVERTIBLE STOCKS 4/4/81

Statistics provided by *dataSTREAM International*

Name and description	Size (£m)	Current price	Terms*	Conversion dates♧	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Div.♡	Cheap(+) Dear(−)◊ Current
British Land 12pc Cv. 2002	9.71	346.00	333.3	80-97	3.5	0.2	− 3.9	−5 to 0	18.2	85.4	13.7	+22.5
Hanson Trust 6½pc Cv. 88-93	3.02	141.00	57.1	76-82	4.6	0.8	− 7.2	−9 to −0	7.1	3.1	− 2.7	+ 4.6
Slough Estates 10pc Cv. 87-90	5.44	275.00	187.5	78-85	3.7		− 3.5	−5 to 1	33.0	32.2	− 0.3	+ 3.2
Slough Estates 8pc Cv. 91-94	24.88	135.00	78.0	80-91	6.0	4.0	13.9	7 to 16	30.0	47.9	15.1	+ 1.2

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♧ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Knowsley (051-548 6555)	12½	½-year	1,000	1-2

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares %
Abbey National	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Aid to Thrift	9.65	10.15	—	—
Alliance	8.25	8.75	9.75	10.50 5 yrs., 10.0 4 yrs., 9.50 3 yrs., 9.00 2 yrs., 8.75 1 yr.
Anglia Hastings and Thanet	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Bradford and Bingley	8.25	8.50	9.75	9.25 1 mth. notice deposit
Bridgwater	8.25	8.50	10.00	10.50 5 yrs., 9.60 2½ yrs.
Bristol Economic	9.00	9.25	10.50	10.00 3 months. Escalator shares 9.75-11.25 (1-5 years)
Britannia	8.25	8.50	9.75	10.00 4 yrs., 9.50 3 months not.
Burnley	†8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Cardiff	9.00	10.25	11.25	—
Catholic	9.00	9.50	10.50	— Share a/cs 9.70 over £5,000
Chelsea	8.25	8.50	9.75	10.50 5 yrs., 9.90 1 yr., 9.55 6 months.
Cheltenham and Gloucester	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Cheltenham and Gloucester	—	9.50	—	— Premium shares including 1.00 bonus p.a. (£15,000 or £20,000)
Citizens Regency	—	8.75	10.00	10.75 5 yrs., 9.75 3 yrs., 9.25 1 yr.
City of London (The)	8.50	8.75	9.60	9.41 9 mth. withdraw. increment sh.
Coventry Economic	8.25	8.50	9.75	10.00 4 yrs., 9.50 3 yrs., 9.25 3 mths.
Coventry Provident	8.25	8.50	10.50	10.65 av. 5 yr., 10.00 4 yr., 9.25 3 mths.
Derbyshire	9.00	9.25	10.50	8.75 to 9.25 3 months
Ealing and Acton	9.00	9.75	—	10.40 2 yrs., £2,000 minimum
Gateway	8.25	8.50	9.75	8.75 (6 mths.) rising to 10.50 (5 yrs.)
Greenwich	—	9.50	10.75	11.50 5 yrs., 11.00 4 yrs., 10.50 3 yrs.
Guardian	9.80	9.50	—	11.00 6 mth., 10.50 3 mth., min. £1,000
Halifax	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Heart of England	9.00	9.25	10.50	— 3 mths. notice 10.00, 5 yrs. 11.25
Hearts of Oak and Enfield	8.25	8.75	10.25	10.00 4 yrs., 9.75 3 yrs., 9.50 2 yrs.
Hendon	8.75	9.25	—	10.25 6 mths., 10.00 3 mths.
Huddersfield and Bradford	8.25	8.50	9.25	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs., 9.00 2 yrs.
Lambeth	9.00	9.50	11.25	11.25 5 yrs., 11.00 6 months' notice
Leamington Spa	9.10	9.35	12.45	10.85 1 year
Leeds Permanent	9.00	9.25	10.50	11.25 5 yrs., Optns. fm. 9.50 (6 mths.)
Leicester	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Liverpool	9.00	9.25	10.70	11.25 5 yrs., minimum £1,000
London Grosvenor	8.75	9.75	11.00	10.25 6 months' notice
Melton Mowbray	9.10	9.35	10.50	10.85 4 yrs., 10.10 2 yrs.
Mornington	—	9.60	—	—
National Counties	9.25	9.55	10.55	10.25 35 days' notice min. dep. £500, 6 mths. 10.65
Nationwide	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.00 1 yr.
New Cross	9.00	9.25	—	9.25-10.00 on share accs., depending on min. balance over 6 mths.
Northern Rock	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Norwich	9.00	9.25	10.75	10.25 3 yrs., 10.00 2 yrs., min. £500
Peckham Mutual	9.25	9.55	—	—
Peckham Permanent	9.00	9.75	11.00	—
Portman	9.00	9.25	10.50	11.25 5 yrs., 10.30 6 mths.
Portsmouth	8.25	8.50	9.75	10.50 5 yrs., 9.55 6mths. notice.
Property Owners	9.25	9.75	11.20	11.25 4 yrs., 11.00 6 mths., 10.50 3 mths.
Provincial	8.25	8.50	9.75	9.50 5, 4, 3 yrs., 9.00 2 yrs.
Skipton	9.00	9.25	10.50	11.25 5 yrs., 10.35 wdl. 1 mth. loss int.
Sussex County	9.25	9.50	11.30	11.30 5 yrs., 10.90 4 yrs., 10.50 3 yrs.
Sussex Mutual	9.25	9.80	11.25	10.00-11.25 all with special options
Town and Country	8.25	8.50	9.75	10.50 5 yrs., 10.00 4 yrs., 9.50 3 yrs.
Walthamstow	9.00	9.50	10.50	10.50 6 months' notice, min. £1,000
Wessex	8.50	9.25	—	10.25 min. 3 yrs., 6 mth. notice of wdl
Woolwich	8.25	8.50	9.75	10.50 5 yrs., 8.75 6 mths.

* Rates normally variable in line with changes in ordinary share rates. † Effective from May 1. All these rates are after basic rate tax liability has been settled on behalf of the investor.

Equities slightly easier at end of week featured by FT All-Share index reaching record high

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Mar. 16	Mar. 26	Mar. 27	Apr. 6
Mar. 30	Apr. 8	Apr. 9	Apr. 21
Apr. 10	Apr. 29	Apr. 30	May 11

* "New time" dealings may take place from 9 am two business days earlier.

Viewed against Thursday's advance and the sustained upsurge since last month's Budget, London equity markets put on a sound performance yesterday as the first leg of the current Account drew to a close. Most sectors were looking a trifle ragged as occasional profit-taking left its mark, but the overall tone was no worse than narrowly mixed.

Investors showed early fresh interest for leading industrials which, after opening a shade easier in anticipation of profit-taking, picked up before mid-day. Afternoon business however, was minimal and the FT 30-share index, which had regained a 10 am loss of 1.9 to stand a point higher at noon, eased gradually to finish 2.3 down on balance at 539.6. This represented a gain of 18.3 on the week, which took the upsurge since the day after the Budget to 69.6 points.

The conclusion of "bed and breakfast" deals—Thursday was the last day for such transactions in the current financial year—contributed to the contraction in activity. Buyers, nonetheless, showed a selective interest, particularly in Garages and Motor Distributors, which made notable headway. Demand in this sector was reportedly stimulated by asset value attractions and recovery hopes. Other noteworthy firm areas included Leisures and Buildings.

Gilt-edged securities continued to show resilience despite the demands made on the sector by recent heavy Government funding. Helped late by this week's fall in the interest rate on Treasury Bills, medium and longer-dated stocks picked up early losses ranging to ¼ to close a shade harder on balance. The absence of any further demand for the new short tap, Treasury 11½ per cent 1985, activated by the authorities in first-time dealings on Thursday at 15⅛, stifled interest in this area of the market and quotations ended a touch easier.

Demand for Traded options improved and 1,793 deals were arranged. Imperial were active with 352, 306 of which were arranged in the May '80s. The week's daily average amounted to 1,760.

Bank of Scotland up

Demand ahead of the preliminary results, due on April 14, helped Bank of Scotland rise 15 to 328p. The major clearers continued firmly with Barclays adding 10 more at 402p and Lloyds improving 4 to 342p. Elsewhere, Royal Bank of Scotland slipped 3 to 134p, after 129p, on vague fears that the proposed merger with Standard Chartered will be referred to the Monopolies Commission; the latter hardened 3 to 656p ahead of Tuesday's results. Among Merchant banks, investment buying took Guinness Peat up 7 to 115p.

Profit-taking after recent strength on the results left Sun Alliance 3 down on the day at 846p, but still 70 higher on the week. GRE gave up 6 at 356p.

Breweries closed a shade below the best, though the undertone remained firm. Allied hardened a penny more to 72p, after 73p, while Bass rose 3 at 221p. Whitbread touched 157p before settling at 154p for a net gain of 2. Among regional issues, Wolverhampton and Dudley, 218p, and Youngs, 200p firmed 4 and 5 respectively.

Conditions in Buildings were considerably quieter, but selected issues continued to edge higher. Redland were again wanted, at 198p, up 4, while Taylor Woodrow improved 5 more to 575p. Wimpey, however, eased 2 to 118p and Barratt Developments shed 5 to 235p. Rugby Portland Cement gave up 1½ at 87½p on the company's decision to cease cement production at the Lewes Works. Elsewhere, Breedon and Cloud Hill Lime Works improved 2 to 110p on the increased preliminary profits and dividend. Demand ahead of the preliminary results, due next Thursday, left Feb International A 5 dearer at 73p. Watts Blake Bearne, which announces its annual results on the same day, gained 12 to 200p. pence lower at 256p, ICI reverted After opening a couple of to the overnight level of 258p to register a gain on the week of 22.

Elys please

Among Stores, Mothercare rose 4 to 230p, after 232p, but Raybeck, firm of late, shed 3 at 63p. Secondary counters were featured by Elys (Wimbledon), which advanced 12 to 207p following the increased annual profits and dividend. E. Upton, in contrast, dipped 4 to 28p on the full-year deficit and dividend ommision. Bambers, annual results due on April 14, jumped 5 to 75p.

Leading Electricals turned irregular after the recent strength with the exception of Thorn EMI, which rose to 356p before closing a net 6 dearer at 352p. GEC reacted from a higher early level of 697p to finish 10 down on balance at 683p, while Plessey cheapened 3 to 332p and Racal 2 to 380p. Elsewhere, Cambridge Instruments doubled in price to 2p, still reflecting its offer to C.I.C. Investment shareholders which the National Enterprice Board intends to accept.

Secondary Engineering were again bolstered by recovery hopes but the leaders gave ground on profit-taking. With results due on April 15, Hawker closed 8 off at 324p, while GKU shed 4 to 148p and Tube Investments eased a couple of pence to 216p. Expanded Metal met with late speculative support and ended 10 to the good at 61p, while similar improvements were seen in Chemring, 265p, and Simon, 350p. Adwest advanced 8 to 180p as did Martonair, to 253p, while Blackwood Hodge, 47p, Brown and Tawse, 111p, and Mining Supplies, 170p, all rose 6. Glynwed put on 2 at 95p ahead of Wednesday's preliminary results, but Burgess Products fell 4 to 48p following news of the halved interim dividend and first-half profits slump. W. A. Tyzack lost 2 to 16p after the poor interim figures.

The volume of business in Foods contracted and leading issues ended easier for choice. J. Sainsbury shed 7 to 403p and Associated Dairies 6 to 208p. Against the trend, Kwik Save found support and firmed 4 to 216p, while further speculative interest lifted Bishop's Stores A 8 for a two-day gain of 12 to 100p. Bluebird Confectionery rallied 7 to 61p on second-thoughts about the interim results.

Hotels and Caterers featured Ladbroke which touched 310p before closing a net 6 dearer at 308p still benefiting from the annual results and 100 per cent scrip issue.

Pritchard Serv. good

Dry cleaning issues were again popular in miscellaneous industrials, particularly Pritchard Services, which jumped 14 to 164p on news of a probable 5-year municipal cleansing service contract for the city of Jeddah. Johnson Group Cleaners put on 7 more to 220p, while Sketchley, 264p, and Spring Grove, 116p, added 5 and 4 respectively. Erskine House rose 6 to 54p following the announcement that Capital for Industry had acquired a near 15 per cent stake in the company, while Readfearn National Glass revived with a speculative gain of 13 to 183p. Sale Tilney put on 8 to 178p and Lonsdale Universal appreciated 4 to 37p as did Copydex to 49p. Petrocon lost 4 to 32p in late reaction to news of the final dividend omission and annual loss. Sharna Ware also reflected a disappointing trading statement with a fall of 7 to 148p.

Among Television issues, LWT "A" gained 11 to 99p after the chairman's comments on second-half prospects, but Scottish TV "A" shed a penny despite the increased annual profits and dividend.

Oils dull

Tate of Leeds spurted 10 to 94p on the maintained dividend which annulled news of the substantially lower full-year earnings.

Consideration of the company's money broking activities prompted increased support for Mills and Allen, 15 better at 398p for a two-day gain of 38.

Sentiment in Oils was affected by publicity given to a broker's adverse circular on the Thistle Field prospects and publication of the BP annual report. After extending the previous day's useful rally by a few pence initially, the leaders turned decidedly dull on moderate selling and British Petroleum, at 380p, gave up 10 of the previous day's gain of 18, while Shell closed 4 off at 372p, after 378p. Tricentrol fell away in late trading to close 14 down at 280p. Ultramar gave up 10 to 480p and Lasmo lost 20 to 563p. Sovereign fell 18 to 355p. In contrast, Irish oil attracted renewed support following Press comment. Gaelic gained 10 to 185p and Eglinton 7 to 160p, while Kenmare firmed 4 to 40p.

Renewed speculative demand lifted Jamaica Sugar to 30p before a close of 25p, up 7 on balance. In contrast, William Jacks shed 2 to 23p following the final dividend passing and halved annual profits.

Investment Trusts reflected the recent strong equity tone and Derby Capital, 335p, Triplevest Capital, 371p, and City and Commercial Capital, 261p, all rose around 13. Among Financials, dealings in London and European were suspended, at 44p, prior to details of the agreed share-exchange offer from Bardsey, a couple of pence cheaper at 28p.

Charles Early and Marriott were marked up 5 to 26p following the second half return to profitability. S. Jerome, preliminary results expected next Wednesday, rose 6 to 92p, while Allied firmed 5 to 145p awaiting news from the annual meeting. Further consideration of the annual figures lifted Carpets International 2 more to 21p.

Rothmans International, which late on Thursday spurted to 74p on news that it was involved in exploratory talks with R. J. Reynolds, reacted sharply to 62p before rallying strongly to close a net 7 higher at 69p. Rothmans' subsidiary Alfred Dunhill jumped 36 to 228p owing to strong speculative support.

Golds move ahead

Mining markets closed the week on a firm note, buoyed by renewed strength in both precious and base metal prices.

South African Golds were marked up at the outset and gradually improved throughout the day as the bullion price rose $3 to $523.50 an ounce. The Gold Mines index advanced 14.2 to 359.4 but still showed an 11.7 fall over the week.

In the heavyweights Western Holdings were prominent and finally £1¾ up at £35¼, while gains of around ¾ were common to Buffels, £20⅞, Hartebeest, £29⅞, Vaal Reefs, £32⅞ and Free State Geduld, £22⅞.

Financials moved similarly to Golds. "Amgold" rose £1¼ to £42 and De Beers 9 more to 392p. Elsewhere, Minorco dipped 40 more to 625p following another sharp fall in the 17.4 per cent-owned Engelhard Minerals in overnight U.S. markets.

Australians made further good progress. Hamersley edged up 5 to 240p—85 higher over the week—following the bid by CRA to acquire the 17.68 per cent of Hamersley not already owned; CRA rallied 9 to 250p.

The leading Australian stocks rose sharply on takeover hopes. MIM Holdings were outstanding and advanced a further 16 to a 1981 high of 252p. Western Mining were a like amount to the good at 290p. Bond Corporation jumped 22 to 194p in a thin market.

Northern Mining continued to attract speculative attention and touched 175p before easing to close unaltered on balance at 172p—up 27 on the week—on rumours of a possible warehousing operation.

FINANCIAL TIMES STOCK INDICES

	Apr. 3	Apr. 2	Apr. 1	Mar. 31	Mar. 30	Mar. 27	A year ago
Government Secs.	70.06	70.10	70.13	69.64	69.62	70.16	64.98
Fixed Interest	71.66	71.59	71.57	71.41	71.36	71.94	65.37
Industrial Ord.	539.6	541.9	529.8	528.1	518.8	521.3	432.1
Gold Mines	359.4	345.2	341.7	341.0	352.7	370.1	284.7
Ord. Div. Yield	6.07	6.04	6.17	6.21	6.33	6.29	8.02
Earnings, Yld. % (full)	12.14	12.07	12.34	12.40	12.63	12.56	19.65
P/E Ratio (net) (*)	10.34	10.40	10.17	10.12	9.94	10.00	6.24
Total Bargains	38,815	37,620	34,139	32,065	30,052	29,621	33,566
Equity turnover £m.	—	222.30	182.86	164.45	140.82	204.75	109.73
Equity bargains total	—	35,533	31,919	30,599	26,118	27,769	24,616

10 am 540.0. 11 am 542.1. Noon 542.9. 1 pm 542.0. 2 pm 541.9. 3 pm 541.1.

Latest Index 01-246 8026.

*Nil=9.60.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS

	1981 High	1981 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	70.61 (20/3)	68.05 (16/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	72.01 (20/3)	69.98 (16/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	541.9 (2/4)	446.0 (14/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	421.1 (16/1)	281.4 (29/1)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	Apr. 2	Apr. 1
—Daily		
Gilt Edged Bargains	211.6	207.3
Equities Bargains	230.2	205.8
Value	449.3	369.6
5-day Avrge.		
Gilt Edged Bargains	193.1	187.1
Equities Bargains	196.9	187.7
Value	370.0	363.7

NEW HIGHS AND LOWS FOR 1981

The following shares quoted in the Share Information Service yesterday attained new High and Lows for 1981.

NEW HIGHS (386)

BRITISH FUNDS (2)
CORPORATION LOANS (3)
COM'WEALTH & AFRICAN LOANS (2)
AMERICANS (12)
CANADIANS (12)
BANKS (6)
BEERS (10)
BUILDINGS (18)
CHEMICALS (4)
DRAPERY & STORES (11)
ELECTRICALS (13)
ENGINEERING (24)
FOODS (19)
HOTELS (2)
INDUSTRIALS (57)
INSURANCE (3)
LEISURE (5)
MOTORS (14)
NEWSPAPERS (7)
PAPER (6)
PROPERTY (9)
SHIPPING (2)
SHOES (3)
SOUTH AFRICANS (1)
TEXTILES (12)
TOBACCOS (1)
TRUSTS (113)
OIL & GAS (4)
OVERSEAS TRADERS (2)
RUBBERS (2)
MINES (7)

NEW LOWS (15)

FOREIGN BONDS (1)
Chinese 5pc 1913
CHEMICALS (1)
Catalin
STORES (1)
Upton (E.) A
ELECTRICALS (1)
Bulgin A
ENGINEERING (1)
Locker (T.)
FOODS (1)
Home Farm
INDUSTRIALS (1)
Burndene
TEXTILES (1)
Snia Viscosa
OILS (6)
Burmah, Pennine Res.
Carless Capel, Premier Cons.
New Court Nat., Sovereign Oil
MINES (1)
Kamunting

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	32	16	47	230	110	135
Corpns. Dom. & Foreign Bonds	9	3	53	63	23	249
Industrials	385	213	770	1,916	918	4,010
Oils Financial and Property	192	71	230	918	302	1,247
Oils	17	35	25	101	152	132
Plantations	5	2	16	24	16	75
Mines	86	12	67	231	220	374
Others	82	22	35	245	207	238
Totals	808	374	1,243	3,718	1,948	6,460

FRIDAY ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
Brit. Aerospace	205	−1	Pritchard Services	164	+14
Candecca	202	−4	Rothmans	69	+7
GEC	683	−10	Tate of Leeds	94	+10
Global NR	780	−10	Thorn EMI	352	+6
Jamaica Sugar	25	+7	Tilling (T.)	168	+1
LASMO	563	−20	Tricentrol	280	−14

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar. 23	Apr. 3	June 25	July 6
Apr. 6	Apr. 17	July 9	July 20
Apr. 21	May 1	July 23	Aug. 3

For rate indications see end of Share Information Service

Money was given for the call of Bardsey, ICL, Intervision, MDW, Grindlays, Neepsend, Johnson and Firth Brown, D. M. Lancaster, French Kier, Sutcliffe Speakman, Woodhall Trust, Fitzwilton, Delta Metal, Premier Oil, New Throgmorton Warrants, A. F. Bulgin, J. Hepworth and Euroflame. A put was struck in Tubes, while doubles were arranged in Keith Collins Petroleum, Automotive Products, Rothmans International and A. Monk.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS — Figures in parentheses show number of stocks per section

	Equity groups & sub-sections	Fri., April 3, 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs. April 2 Index No.	Wed. April 1 Index No.	Tues. March 31 Index No.	Mon. March 30 Index No.	Year ago (approx.) Index No.	1981 High	1981 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (214)	346.06	−0.3	11.16	4.63	11.06	347.05	342.27	338.13	333.77	232.36	347.05 (2/4)	272.28 (15/1)	347.05 (2/4/81)	50.71 (13/12/74)
2	Building Materials (25)	309.45	−0.2	14.55	5.61	8.25	310.05	307.60	303.95	301.77	225.30	310.05 (2/4)	236.82 (13/1)	310.05 (2/4/81)	44.27 (11/12/74)
3	Contracting, Construction (28)	576.75	−0.5	16.28	4.68	7.31	579.79	575.46	570.79	563.70	351.97	579.79 (2/4)	403.39 (8/1)	579.79 (2/4/81)	71.48 (2/12/74)
4	Electricals (27)	1094.47	−1.0	8.01	2.46	15.47	1104.98	1088.97	1076.09	1055.59	605.08	1104.98 (2/4)	888.13 (15/1)	1104.98 (2/4/81)	84.71 (25/6/62)
5	Engineering Contractors (11)	462.22	+1.2	12.29	5.60	10.27	456.56	444.65	431.52	431.63	272.94	462.22 (3/4)	374.44 (20/1)	462.22 (3/4/81)	64.39 (2/1/75)
6	Mechanical Engineering (71)	212.30	+0.5	12.86	5.82	9.85	211.26	208.35	205.18	202.57	157.52	212.30 (3/4)	162.47 (15/1)	212.30 (3/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (13)	159.52	−0.7	10.55	8.31	12.55	160.70	156.13	154.46	153.37	160.32	160.70 (2/4)	127.24 (14/1)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (21)	100.61	+0.5	10.36	8.31	12.65	100.09	98.30	96.97	94.97	103.78	100.61 (3/4)	84.67 (23/1)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (18)	360.96	+0.4	11.50	5.66	10.40	359.55	355.29	352.85	351.74	0.00	360.96 (3/4)	277.55 (15/1)	360.96 (3/4/81)	277.55 (15/1/81)
21	CONSUMER GROUP (196)	270.74	+0.1	13.78	5.80	8.80	270.40	266.21	264.67	261.97	207.02	270.74 (3/4)	227.50 (14/1)	270.74 (3/4/81)	61.41 (13/12/74)
22	Brewers and Distillers (20)	292.87	+0.3	15.82	6.25	7.50	292.01	285.46	289.09	286.31	261.85	292.87 (3/4)	244.42 (13/1)	306.45 (8/7/80)	69.47 (13/12/74)
25	Food Manufacturing (22)	252.85	−0.2	15.84	6.26	7.49	253.41	251.35	247.02	244.69	186.59	253.41 (2/4)	204.17 (14/1)	253.41 (2/4/81)	59.67 (11/12/74)
26	Food Retailing (14)	532.43	−1.1	8.48	3.03	13.93	538.43	524.08	515.29	511.81	295.39	538.43 (2/4)	440.89 (11/3)	538.43 (2/4/81)	54.25 (11/12/74)
27	Health and Household Products (7)	293.33	−0.5	9.19	4.89	12.92	294.84	285.87	280.79	275.84	196.74	294.84 (2/4)	245.38 (14/1)	294.84 (2/4/81)	175.38 (28/5/80)
29	Leisure (22)	412.05	+1.1	12.37	5.44	9.78	407.69	402.26	398.31	394.21	289.10	412.05 (3/4)	327.38 (16/1)	412.05 (3/4/81)	54.83 (9/1/75)
32	Newspapers, Publishing (12)	490.73	+0.1	17.88	6.03	7.31	490.30	489.01	484.70	480.89	401.58	490.73 (3/4)	419.04 (15/1)	492.56 (8/5/79)	55.08 (6/1/75)
33	Packaging and Paper (14)	141.87	+0.8	21.29	8.14	5.46	140.78	138.48	137.57	135.99	125.62	141.87 (3/4)	108.85 (14/1)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (44)	269.09	—	11.00	4.70	11.92	269.08	266.70	266.35	263.83	212.53	269.09 (3/4)	238.15 (15/1)	273.48 (4/5/79)	52.63 (6/1/75)
35	Textiles (21)	152.84	+0.5	14.38	8.60	9.40	152.14	150.02	148.32	147.25	118.38	152.84 (3/4)	122.37 (19/1)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	226.60	+1.7	25.08	10.27	4.55	222.80	219.38	218.59	215.94	202.65	229.47 (27/2)	193.57 (19/1)	339.16 (2/8/72)	94.34 (13/6/62)
39	Other Consumer (17)	274.60	+0.1	9.40	7.01	13.42	274.42	273.87	271.94	269.71	0.00	274.60 (3/4)	231.28 (4/2)	274.60 (3/4/81)	231.28 (4/2/81)
41	OTHER GROUPS (78)	228.05	+0.5	13.68	6.63	9.01	226.99	221.68	220.48	218.08	197.36	228.05 (3/4)	203.40 (13/3)	234.76 (8/5/79)	58.63 (6/1/75)
42	Chemicals (15)	270.65	+0.1	11.96	7.72	10.60	270.26	259.25	258.52	253.96	295.47	299.29 (2/1)	235.35 (13/3)	329.77 (4/5/79)	71.20 (1/12/74)
44	Office Equipment (6)	119.20	−0.4	15.62	6.97	7.60	119.62	118.81	117.19	115.39	109.97	119.62 (2/4)	93.19 (14/1)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (13)	622.12	+1.0	13.67	5.95	8.74	615.97	611.63	612.42	610.04	459.78	622.12 (3/4)	518.82 (15/1)	622.12 (3/4/81)	90.80 (29/6/62)
46	Miscellaneous (44)	295.91	+0.8	15.03	5.66	8.18	293.47	288.91	286.41	284.88	231.40	295.91 (3/4)	249.71 (19/1)	295.91 (3/4/81)	60.39 (6/1/75)
49	INDUSTRIAL GROUP (488)	290.52	—	12.77	5.46	9.57	290.49	285.88	283.55	280.34	220.12	290.52 (3/4)	241.24 (15/1)	290.52 (3/4/81)	59.01 (13/12/74)
51	Oils (12)	797.79	−2.0	23.23	7.08	4.95	814.05	782.54	796.36	795.79	748.64	923.71 (2/1)	782.54 (1/4)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	331.03	−0.4	14.71	5.76	8.16	332.26	325.56	324.46	321.44	261.84	332.26 (2/4)	290.43 (14/1)	332.26 (2/4/81)	63.49 (13/12/74)
61	FINANCIAL GROUP (118)	259.81	−0.2	—	5.39	—	260.32	256.44	253.84	251.60	188.72	260.32 (2/4)	227.09 (19/1)	260.37 (28/10/80)	55.88 (13/12/74)
62	Banks (6)	241.85	+1.0	33.80	7.46	3.56	239.57	234.21	234.54	231.74	205.16	249.68 (5/1)	220.84 (11/3)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	309.08	+0.6	—	5.99	—	307.34	306.68	305.34	305.13	211.87	314.03 (20/3)	290.51 (15/1)	314.03 (20/3/81)	81.40 (10/12/74)
64	Hire Purchase (4)	273.66	—	8.22	4.53	16.82	273.54	273.41	272.00	272.29	189.99	274.53 (25/3)	194.82 (8/1)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (10)	272.92	−0.7	—	5.24	—	274.72	270.95	264.21	263.77	166.59	274.72 (2/4)	222.74 (7/1)	274.72 (2/4/81)	44.88 (2/1/75)
66	Insurance (Composite) (9)	170.31	−0.8	—	7.21	—	171.62	168.51	163.80	161.14	122.21	171.62 (2/4)	142.06 (19/1)	183.32 (18/9/80)	43.96 (13/12/74)
67	Insurance Brokers (8)	357.67	+0.2	12.67	6.43	10.63	356.97	353.66	352.99	350.42	287.38	361.72 (5/3)	294.21 (20/1)	372.27 (11/8/78)	65.86 (16/12/74)
68	Merchant Banks (13)	160.48	+0.7	—	4.88	—	159.43	158.67	158.02	157.88	99.63	160.48 (3/4)	143.07 (20/1)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (48)	513.20	−0.9	2.96	2.45	46.68	517.77	511.09	508.98	504.13	360.79	517.77 (2/4)	435.73 (16/1)	517.77 (2/4/81)	56.01 (20/4/65)
70	Miscellaneous (10)	175.49	+0.8	17.97	5.90	6.83	174.13	172.45	172.44	173.07	127.95	180.91 (2/3)	165.30 (19/1)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	304.99	+0.8	—	5.05	—	302.68	301.11	298.01	297.10	207.03	304.99 (3/4)	271.01 (23/1)	304.99 (3/4/81)	71.63 (13/12/74)
81	Mining Finance (3)	241.01	+0.9	14.04	5.57	8.45	238.87	240.32	235.23	236.72	184.88	241.01 (3/4)	200.76 (6/2)	277.15 (30/10/80)	66.31 (30/9/74)
91	Overseas Traders (20)	454.01	−0.2	11.72	6.51	10.51	455.10	448.04	445.94	445.34	396.58	455.10 (2/4)	420.28 (14/1)	462.79 (22/10/80)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	316.27	−0.2	—	5.66	—	317.01	311.45	309.73	307.17	244.40	317.01 (2/4)	278.20 (14/1)	317.01 (2/4/81)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

	British Government	Fri. April 3	Day's change %	Thurs. April 2	xd adj. today	xd adj. 1981 to date
1	5 years	109.38	+0.06	109.32	—	2.48
2	5-15 years	112.76	+0.06	112.69	—	2.97
3	Over 15 years	117.88	+0.03	117.85	—	2.77
4	Irredeemables	129.98	−0.04	130.03	—	1.78
5	All stocks	113.10	+0.05	113.05	—	2.69
6	Debentures & Loans	87.92	−0.17	88.07	—	3.47
7	Preference	68.03	+0.04	68.00	—	2.88

FIXED INTEREST YIELDS — British Govt. Av. Gross Red.

			Fri. April 3	Thurs. April 2	Year ago (approx.)	1981 Highs	1981 Lows
1	Low Coupons	5 years	11.42	11.39	13.05	11.98 (8/1)	11.20 (20/3)
2		15 years	11.98	11.96	12.86	12.54 (16/1)	11.86 (20/3)
3		25 years	12.04	12.03	12.86	12.66 (6/3)	11.88 (6/1)
4	Medium Coupons	5 years	13.02	13.01	14.91	13.65 (16/1)	12.91 (20/3)
5		15 years	13.44	13.43	14.49	14.13 (16/1)	13.32 (20/3)
6		25 years	13.12	13.12	14.30	13.89 (16/1)	13.03 (20/3)
7	High Coupons	5 years	13.03	13.01	14.97	13.71 (15/1)	12.93 (20/3)
8		15 years	13.64	13.63	14.80	14.35 (16/1)	13.54 (20/3)
9		25 years	13.26	13.25	14.69	14.18 (16/1)	13.15 (20/3)
10	Irredeemables†		11.44	11.43	12.41	11.89 (6/3)	11.35 (20/3)
11	Debs & Loans	5 years	14.20	14.15	15.44	14.81 (30/3)	13.80 (27/3)
12		15 years	14.32	14.29	15.26	14.67 (30/3)	14.16 (27/3)
13		25 years	14.31	14.29	15.07	14.35 (31/3)	14.25 (27/3)
14	Preference†		14.35	14.36	15.87	14.37 (31/3)	14.29 (27/3)

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Miscellaneous Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	128.20	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 26½p.

RECENT ISSUES

EQUITIES

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing Price p	+ or −	Div. p. or Amount	Times Covered	Gross Yield	P.E. Ratio
160	F.P.	3/4	207	170	British Aerospace 50p	205	−1	b7.8	2.0	5.4	13.1
10	F.P.	27/3	18½	13¾	✻Crest Int Scs. 10p	18¼	−¼	—	—	—	—
100	F.P.	1/5	120	105	Cystic Fibr Inv Tst £1	115	......	—	—	—	—
£1	F.P.	—	175	112	†† Eglinton Oil & Gas	160	+7	—	—	—	—
75§	F.P.	30/4	105	88	Espley-Tyas Prop.	92	−2	b3.92	1.2	6.1	19.1
30	F.P.	—	41	36	✻Euroflame	41	+2	b2.1	2.5	7.3	7.8
18§	F.P.	—	22	20½	Munton Bros. 10p	20½	......	—	—	—	11.8
100	F.P.	13/3	102	92	New Darien Oil Trust	92	......	—	—	—	—
—	F.P.	—	57	44	Do. Warrants	53	......	—	—	—	—
42	F.P.	13/5	45	38	Oil & Gas Production	38		—	—	—	—
4.2	P.P.	13/5	9	7½	Do. (£0.01 pd.)	8½	+½	—	—	—	—
100	F.P.	21/4	101	98	T. R. Energy	98	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount Paid Up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing Price £	+ or −
*	F.P.	—	34p	33p	Colonial Secs. 7% Cum. 2nd Pref. 5p	33p	......
100	F.P.	1/5	74	70	Cystic Fibrosis Res'ch In. Tst. 5% Deb. '86	70	......
97¾	£10	10/7	11	10¾	Leeds (City of) 13½% Red. 2006	10¾	+⅛
‖	F.P.	20/3	170p	147p	Sterling Credit 8% Cnv. Red. Cum. Prf.	168	−3
¶	F.P.	26/6	102½	102½	Sutton District Water 8% Pref.	102½	......
¶	£10	4/6	11	11	West Hampshire Water 8% Red. Prf. '86	11	......

"RIGHTS" OFFERS

Issue Price p:	Amount paid up	Latest Renunc. Date ●	Latest Renunc. Date ■	1981 High	1981 Low	Stock	Closing price p	+ or −
184	F.P.	9/3	22/5	220	171	Assoc. Dairies	214	−4
2	Nil	8/4	29/5	4¼pm	2pm	Barker & Dobson A	4¼pm	+1
$A9	Nil	—	—	280pm	175pm	Broken Hill Prop.	280pm	+20
48	Nil	—	—	15½pm	8pm	I.M.I.	15½pm	+2½
A1¾	Nil	—	—	48pm	33pm	Woodside	48pm	+4

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimate for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ✻ Unlisted Securities Market. ‡‡ London Listing. † Resulting from debt settlement scheme. ¶¶ Units comprising 125 A Ord. & 6 12½% Cum. Pref.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

AbbeyAm.Gth.Tst.(z)	61.2	65.8	+0.7	2.20
Abbey Capital	51.5	55.6xd	+3.6	3.96
Abbey General(z)	58.8	63.5	+0.2	4.84
Abbey Gilt&F.I.Tst(z)	107.6	113.3xd	-0.7	11.56
Abbey Income(z)	37.7	40.7xd	+0.3	8.63
AbbeyW'wBd.Tst.(z)	95.3	100.8	+0.5	6.65
Abbey Inv. Tst. Fd.(z)	52.3	56.5	+0.3	4.49
Equities Prog. Tst.(z)	84.8	91.7	+0.8	4.46

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt Trust	87.9	92.5	.....	12.68

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	95.9	100.5	+0.8	5.57
Brit. Indl. Fund	92.4	98.2	+0.7	5.78
Growth & Income	54.2	58.0	+0.4	4.66
Elect. & Ind. Dev.	47.9	51.3	+0.5	4.87
Allied Capital	101.7	108.8xd	+0.5	4.04
Hambro Fund	139.5	149.3	+1.1	5.57
Hambro Acc. Fund	192.2	205.6	+1.6	4.43
Income Funds				
High Yield Fd.	68.8	73.6	+0.6	8.15
High Income	83.7	89.6xd	+0.9	7.22
Equity Income Fd.	48.3	51.7	+0.4	7.08
Govt. Secs.	26.6	27.3	.....	11.36
International Funds				
International	36.6	39.1	+0.5	2.05
Japan Fund	25.7	27.5	+0.1	0.23
Pacific Fund	70.7	75.6	+0.7	1.08
Secs. Of America	80.0	85.6	+0.9	1.87
Specialist Funds				
Smaller Co.'s Fd.	59.3	63.5	+0.3	4.09
2nd Smlr. Co's Fd.	74.3	79.5xd	+0.5	3.7
Recovery Sits.	147.8	157.3	+0.9	4.83
Met. Min. & C'dty.	69.8	74.7	+0.8	4.91
Overseas Earnings	72.7	77.8	+0.5	4.74

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	42.6	46.0	+0.6	0.54
Cres. Internat'l.	85.2	92.0	+1.3	1.70
Cres. High. Dist.	47.7	51.5	+0.5	9.22
Cres. Reserves	53.1	57.3	+0.6	5.13
Cres. Tokyo	34.9	37.6	+0.2	0.93

Dartington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76324

Total Perf. Unit Tst.	23.5	25.0xd	.....	9.34

Discretionary Unit Fund Managers
36/38 New Broad St, EC2M 1NU. 01-638 4485

Disc. Inc. Mar. 27	249.5	266.1	.....	4.88

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	19.5	20.9	.....	6.93
Gt. Winchester O'seas	27.6	30.6	.....	3.47

For Emson and Dudley see Robert Fraser Tst. Mgmt.

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	93.1	97.9xd	+0.7	4.43

Fidelity International Management Ltd.
62-63 Queen St, London EC4 1AD 01-248 4891

American (z)	38.1	41.0	+0.4	0.64
Ameri. Spec. Sits. (z)	27.9	30.0	+0.4	0.60
Gilt + Fixed Int.	25.7	27.0	.....	11.70
Growth + Income	34.0	36.6	+0.4	6.53
Maximum Inc. Eq. Tst.	28.7	30.9	+0.3	8.14
Special Sits.	42.5	45.8	+0.4	1.69

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	40.0	43.0xd	.....	1.68
Accum. Units	49.6	53.3xd	.....	1.68
J. Finlay High Income	37.1	39.9xd	.....	9.67
Finlay Wld. Energy	18.6	20.0xd	+0.1	1.88
Accum. Units	24.2	26.0xd	+0.2	1.88
J. Finlay Fd. In. Tst.	39.6	42.6xd	.....	5.07
Accum. Units	50.1	53.9xd	.....	5.07

Prices on April 1. Next dealing April 8.

Framlington Unit Mgt. Ltd. (a)

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114

Equity Accum. (2)	256.8	270.4	.....	4.43

Local Authorities' Mutual Invest. Tst.*
77, London Wall, EC2N 1DB. 01-588 1815

Pro. Fund March 31		148.70	.....	6.77
Wider Fund March 31		269.50	+3.90	5.00
Narrower Fd. Mar. 31		77.95	+1.10	12.99

*Unauthorised. Available only to Local Authorities.

M & G Group (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588
See also Stock Exchange Dealings.

American	67.4	72.5	+1.2	1.94
(Accum. Units)	72.4	77.8	+1.2	1.94
American Recovery	76.8	82.2	+1.6	1.55
(Accum. Units)	79.0	84.5	+1.6	1.55
Australasian	115.4	123.5xd	+3.1	0.74
(Accum. Units)	120.8	129.3	+3.2	0.74
Comm. & Gen.	149.2	159.6	-0.3	2.82
(Accum. Units)	175.4	187.7	-0.3	2.82
Compound Growth	192.9	206.4	+0.4	3.11
Conversion Growth	119.0	127.3	+1.0	2.36
Conversion Inc.	74.2	79.4	+0.3	9.70
Dividend	137.2	148.9	+1.6	8.50
(Accum. Units)	305.4	331.4	+3.5	8.50
European	62.0	66.3	+0.6	3.75
(Accum. Units)	67.9	72.6	+0.5	3.75
Extra Yield	86.5	93.0xd	+1.1	9.39
(Accum. Units)	140.6	152.6	+2.9	9.39
Far Eastern	120.4	128.8xd	+1.6	1.01
(Accum. Units)	137.8	147.4	+1.8	1.01
Fund of Inv. Tsts.	97.5	105.3	+0.4	4.60
(Accum. Units)	130.4	140.8	+0.5	4.60
General	236.5	254.2	+2.4	5.79
(Accum. Units)	409.9	440.6	+4.3	5.79
Gilt	10.23	50.4	.....	10.23
(Accum. Units)	48.7	51.1	.....	10.23
High Income	116.7	124.9	+1.5	8.97
(Accum. Units)	232.1	248.3	+2.9	8.97
Japan	172.9	185.0	+1.0	0.65
(Accum. Units)	181.6	194.3	+1.1	0.65
Magnum	351.3	372.4	+4.6	5.18
(Accum. Units)	485.9	515.1	+0.5	5.18
Midland	170.3	182.2	+2.2	9.09
(Accum. Units)	326.3	349.1	+4.2	9.09

Schroder Unit Trust Managers Ltd.
48, St. Martins Lane, WC2. Dealings 0705 27733

Capital	172.3	185.2	+0.8	2.57
(Accum. Units)	221.2	237.8	+1.2	2.57
Income Fnd.	236.5	254.2	+2.3	7.31
(Accum. Units)	407.9	438.5	+4.0	7.31
Gen.	130.0	139.7	+1.3	3.84
(Accum. Units)	176.1	189.3	+1.7	3.84
Europe	21.8	23.4xd	.....	2.78
(Accum. Units)	26.0	27.9	.....	2.78
Smaller Co's	154.0	165.5	+1.4	2.94
American	52.0	55.9	+0.7	2.60
(Accum. Units)	52.0	55.9	+0.7	2.60
Tokyo	49.2	52.9	-0.3	0.25
(Accum. Units)	49.2	52.9	-0.3	0.25
Gilt & Fixed	49.3	51.8	-0.1	12.00
(Accum. Units)	49.3	51.8	-0.1	12.00
Australian	50.3	55.8	+0.6	2.00
(Accum. Units)	50.3	55.8	+0.6	2.00
*Ph. & C. Fd. Mar. 31	236.4	248.8	.....	4.75
*Recovery Mar. 31	299.5	315.2	.....	4.04
*Spec. Ex. Mar 31	467.7	492.3	.....	2.27
*Euro. Exempt Mar. 26	103.1	108.5	.....	2.29

*For tax exempt funds only.

Scottish Amicable Inv. Mngrs. Ltd.
150 St. Vincent St., Glasgow 041-221 8844

Equity Trust Accum.	104.5	112.8	+1.2	5.28

Scottish Equitable Fnd. Mgrs. Ltd.♥
28 St. Andrews Sq. Edinburgh 031-556 9101

Income Units	64.0	68.1	.....	4.97
Accum. Units	81.5	86.7	.....	4.97

Dealing day Wednesday.
For Sebag see Carr, Sebag Unit Trust Managers.

Security Selection Ltd.
Regis Hse., King William St., EC4. 01-623 4951.

Unvl Gth Tst Acc	34.8	37.1	.....	8.18
Unvl Gth Tst Inc	25.9	27.6	.....	8.18

SIMCO Money Funds
66, Cannon Street, EC4N 6AE 01-236 1425

SIMCO Call Fund†	100.0	—	.....	11.88
SIMCO 7-Day Fund†	100.0	—	.....	12.30

†Unauthorised—Cash Deposit Funds.

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9

Equity Units		£25.
Property Units		£14.
Equity Bond/Exec	£17.32	
Prop. Bond/Exec.	£18.45	
Bal. Bd./Exec/Unit	£17.97	
Deposit Bond	139.2	
2nd Equity	137.0	
2nd Property	143.3	
2nd Managed	133.0	
2nd Deposit	121.5	
2nd Gilt	107.8	
2nd. American	128.1	
2nd Intl. Money	107.0	
2nd Eq. Pens./Acc.	167.3	
2nd Pro. Pens/Acc.	165.3	
2nd Mgd. Pens/Acc.	152.8	
2nd Dep. Pens/Acc.	141.9	
2nd Gilt Pens/Acc.	124.9	
2nd Am. Pens/Acc.	109.6	
2ndInt. MoneyPens/Acc	111.4	
L & E S.I.F.	55.0	
L & E S.I.F. 2	38.0	

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1981 High	1981 Low	Stock	Price £	+ or –	Yield Int.	Yield Red.
99 11/32	97 7/16	Exch. 8¼pc 1981	99 11/32	.....	8.31	11.73
99 3/16	97¼	Exch. 9½pc 1981	99 3/16	.....	9.58	11.99
96¾	93¾	Exch. 3pc 1981	96¾	.....	3.10	12.04
99 7/16	99⅛	Treas. Variable '81‡‡	99¼	–1/16	12.12	13.25
100 7/16	99¾	Exch. 12¼pc 1981‡‡	100 7/16	.....	12.70	11.90
97½	95 11/16	Treas 8½pc '80-82‡‡	97½	.....	8.71	11.87
95	91 7/8	Treasury 3pc '82‡‡	94½	.....	3.18	9.77
102 3/16	100 3/16	Treasury 14pc '82‡‡	102	+1/16	13.72	11.65
98 7/8	98 1/2	Treas. Variable '82‡‡	98 7/16	–1/16	12.21	13.27
95¾	93 11/16	Treasury 8¼pc '82	95⅝	.....	8.62	12.10
96 5/16	93 11/16	Exch. 9¼pc 1982	95¾	.....	9.66	12.47
94¾	92⅝	Exch. 8¾pc 1983	94 11/16	.....	9.24	12.17
89¼	84⅞	Exch. 3pc 1983	88⅝	.....	3.38	9.76
99⅝	97⅞	Treasury 12pc 1983‡‡	99⅛	.....	12.10	12.50
97 7/16	96¾	Treas. Variable '83 ‡‡	97 3/16	.....	12.36	13.47
94⅛	92¼	Treasury 9¾pc '83	94 1/16	+1/16	9.83	12.29
101 13/16	100¼	Exch. 13½pc '83	101 11/16	–1/16	13.27	12.69
94⅞	92¼	Exch. 10pc 1983	94 5/16	.....	10.63	12.64
87⅛	84½	Funding 5½pc '82-84‡‡	87	.....	6.32	11.04
96¾	94 7/16	Exch. 11¼pc 1984	96 11/16	–1/16	11.64	12.63
103 3/16	101 11/16	Exchequer 14pc 1984	103 1/16	–1/16	13.58	12.77
80⅝	78½	Exch. 3pc 1984	80⅛	–⅛	3.74	10.45
98⅜	96⅜	Treasury 12pc 1984	98 5/16	.....	12.21	12.59
107¾	104⅞	Treasury 15pc 1985	107⅜	–⅛	13.97	12.52
98⅞	96 11/16	Exch. 12pc Cnv. '85	98 11/16	–1/16	12.15	12.42

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

LEISURE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS-Cont.

[illegible]

Finance, Land, etc.

[illegible]

OIL AND GAS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
298	228	Anvil Pet 20p	250	......	—	—	—	—
405	320	‡‡Aran Energy £1	395	......	—	—	—	—
520	380	Basic Res. Int. S.A.	390	+10	—	—	—	—
316	205	‡‡Berkeley Expln.	293	−7	—	—	—	—
93	78	Brasson £1	78	......	—	—	—	—
324	284	Brit. Borneo 10p	302	......	†s9.5	2.5	4.5	13.3
370	280	Brit. Can. Res. C$10	300	......	—	—	—	—
420	368	Brit. Petroleum	380	−10	20.25	φ3.7	7.6	4.1
66	62¾	Do. 8% Pf. £1	65½	......	5.6%	[illegible]	12.2	—
190	154	Burmah £1	154	−7	6.5	3.0	6.0	(5.6)
£65½	£61	Do. 8½ Ln. 91/96	£64¼	−½	Q8½%	15.7	Q14.9	—
305	248	‡CCP North Sea	260	−2	—	—	—	—
345	260	‡‡Cambridge Pet. 20p	310	+5	—	—	—	—
230	186	‡‡Candecca Res.	202	−4	—	—	—	—
189	135	Carless Capel 10p	135	−3	t2.5	4.1	2.6	12.8
89	70	Century 10p	77	+4	h2.25	5.5	4.2	4.6
190	155	Ceres Res. C$5.00	160	......	—	—	—	—
106	69	Charterhall 5p	76	−2	—	—	—	—
94	76	Charterhouse Pet.	76	−2	b1.09	4.0	2.1	17.3
£23½	£18½	Cie Fr. Petroles B.	£20	......	Q45%	φ	4.9	φ
28	13	Claremont Pet NL	14½	+½	—	—	—	—
395	290	‡Chuff Oil £1	340	−10	—	—	—	—
406	290	‡Do. Cnv. A	350	−10	—	—	—	—
840	670	‡Clyde Petrol £1	755	−15	M2.0	1.6	0.4	—
27	21	Collins (K) Pet 1c	24	......	—	—	—	—
230	92	‡Conroy Pet. I£0.25	220	......	—	—	—	—
345	160	Double Eagle‖	310	−18	—	—	—	—
278	257	‡‡Edinburgh Secs.	257	......	61.28	1.4	0.7	—
117	93	Energy Capital 12½p	115	......	—	—	—	—
145	115	Floyd Oil Part.	130	−3	—	—	—	—
200	175	‡‡Gaelic Oil 20p	185	+10	—	—	—	—
555	450	‡Gas & Oil Acreage	505	......	—	—	—	—
167	128	Genoa Oil NL 50c	167	+9	—	—	—	—
790	375	Global Nat. Res. US$0.01	780	−10	—	—	—	—
400	335	Gulfstream Res. Can.‖	355	−5	—	—	—	—
55	38	Hansa Pet C$1.00	40	+2	—	—	—	—
238	226	Hunting Petrol	234	......	†5.5	2.5	3.4	13.7
267	215	Imp. Cont. Gas £1	223	+1	b7.0	2.4	4.5	10.5
225	155	International Pet.‖	210	−10	—	—	—	—
*16	9½	Jessel Trust 5p	16xr	......	—	—	—	—
206	156	KCA	200	−5	b5.0	8.3	3.6	—
735	541	LASMO	563	−20	—	—	—	φ
£101	£94	LASMO 14% 1981-83	£98½	−¼	Q14%	—	14.2	—
£14	£11¾	LASMO "Ops" 10p	£11¾xd	−¼	71.19	—	8.6	—
490	365	Magellan Pet.	415	......	—	—	—	—
27	19	Magnet Metals 10c	21	......	—	—	—	—
170	122	‡‡Mariner Pet. 10p	137	−5	—	—	—	—
£10	775	Moonie Oil A$0.50	775	......	Q5c	3.5	0.3	—
142	72	NCC Energy 10p	140#	......	†h1.4	—	1.4	—
92	61	‡New Court Nat. 5p	61	−2	1.0	2.1	2.4	25.0
153	132	‡‡Nth. Sea Assets 50p	135	−2	2.0	1.0	2.2	66.9
170	125	‡‡ORE 10p	148	−9	—	—	—	φ
22	17½	Offshore 10c(pp)	20½	+½	—	—	—	—
262	105	Ohio Resources	205	......	—	—	—	—
310	39	Palliser Res.‖	310	+20	—	—	—	—
55	44	‡‡Penine Res.	44	−1	—	—	—	—
445	295	‡Pict Petroleum	350	−5	—	—	—	—
109	87	Premier Cons. 5p	87	−5	—	—	—	—
810	610	Ranger Oil	675	+65	—	—	—	—
£22	£17¾	Royal Dutch Fl.10.	£17¾	......	Q68½%	φ	7.4	φ
220	180	S. & K. Pet. US$5.00	180	......	—	—	—	—
177	135	SASOL R1	171	+5	†Q13c	4.2	4.5	5.3
£12¾	815	Santos A0.25c	£12¾	+¼	GQ10c	φ	1.2	—
615	540	Sceptre Res.	615	+10	—	—	—	—
81	42	Shackleton Pet.	52	+3	—	—	—	—
470	364	Shell Trans. Reg.	372xd	−4	19.1	φ3.0	7.3	(5.1)
58	58	Do. 7% Pf. £1	58	......	4.9%	[illegible]	12.1	—
285	224	Silkolene	255xd	......	5.0	φ	2.8	φ
430	355	‡Sovereign Oil	355	−18	—	—	—	—
218	152	Strata Oil N.L.	172	−2	—	—	—	—
490	290	‡‡Sun (UK) Royalty 1p	410	−20	—	—	—	—
£99	£80	Texaco 4¾% Cnv.	£81½	......	Q4¾%	—	f5.9	—
342	280	Tricentrol	280	−14	8.4	φ3.2	4.4	10.2
520	460	Ultramar	480	−10	11.0	φ6.2	3.3	6.9
285	180	Warrior Res.‖	240	−10	—	—	—	—
490	360	Weeks (B'muda) 10c	475	+5	—	—	—	—
515	380	Do. Pf. (Aust.) 10c	505	+5	Q1.61	—	0.3	—
425	320	Westfort Pet. ‖	370	−20	—	—	—	—
158	109	Woodside A50c	144	+4	—	—	—	—

OVERSEAS TRADERS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
43	38	African Lakes	38	......	1.1	6.4	4.2	4.3
71	52	Assam Trading B 10p	71	......	1.25	2.4	2.5	23.9
172	152	Aust. Agric. 50c	160	......	Q15c	φ	5.0	φ
133	83	Berisford (S. & W.)	120	−3	h6.5	2.3	7.7	(6.7)
34	23	Borthwick (Thos.) 50p	28	+1	0.01	—	—	—
187	97	Boustead 10p	177	−2	†h1.25	2.7	1.0	45.3
117	103	Finlay (James)	109	......	t5.75	2.3	7.5	(6.8)
192	160	Gill & Duffus	192	......	b8.4	2.2	6.2	8.5
£24	£21½	Gt. Nthn. £10	£24	......	Q12%	φ	5.2	φ
850	737	H'ris'ns. Cros. £1	812	......	t28.0	1.9	4.9	(12.9)
460	415	Inchcape £1	460	......	t18.15	2.0	5.6	10.6
25	20	Jacks Wm.	23	−2	0.35	3.2	2.2	φ
39	16½	Jamaica Sugar	25	+7	φ—	—	—	φ
108	91	Lonrho	93	......	s9.0	1.6	13.8	(5.8)
50	45	Mitchell Cotts	46½xd	+½	3.61	1.5	11.1	(7.3)
193	123	Nesco Invests.	190	−3	t7.0	1.1	5.3	(27.9)
53	36	Ocean Wlsns. 20p	53	+2	h2.25	1.1	6.1	(22.1)
528	425	Pat'son. Zoch. 10p	518xd	+6	†10.5	6.7	2.9	7.4
525	425	Do. 'A' N/V 10p	513xd	+3	†10.5	6.7	2.9	7.3
89	66	Sime Darby M$0.5	87	......	†Q13c	2.6	3.1	12.4
157	127	Steel Bros.	157	......	48.0	3.1	7.3	5.7
60	49	Tozer Kems. 20p	54	......	4.77	3.2	12.6	3.0
£97	£93½	Do. 8pc Ln. '81	£93½	......	Q8%	227.3	f8.6	—
25	20	U. City Merc. 10p	22	......	d1.4	2.4	9.1	6.6
24	20	Do. 10pc Ln. 16p	22	......	Q10%	80.4	f8.6	—
240	185	Warren Plants.	240	+4	t10.0	2.7	6.0	7.9

RUBBERS AND SISALS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
123	100	Anglo-Indones'n	122	+2	t3.33	3.2	3.9
122	91	Barlow Hldgs. 10p	106	−2	3.0	1.1	4.0
103	68	Bertam Cons. 10p	90	−3	0.8	1.8	1.3
510	440	Castlefield 10p	440	......	6.0	2.3	2.0
51	45	Cons. Plants M$0.5	50	......	Q18c	2.2	7.3
6½	6	Grand Central 10p	6	......	—	—	—
825	656	Guthrie £1	765	......	30.0	1.1	5.6
198	166	Harrisons Mly. Est. 10p	198	+3	8.0	0.9	5.8
64	47	Highlands M50c	64	+5	hQ15c	1.2	5.4
122	102	Kuala Kepong M$1	118	......	Q25c	1.3	4.1
59½	47½	††Kulim M50c	57	......	Q12c	1.7	4.2
387	330	Ldn. Sumatra 10p	360	......	φb8.0	3.1	3.2
160	87	Malakoff M$1	157	+2	hQ10c	φ	1.2
75	56	Malay. Plants. M$1	71	+1	Q18c	1.3	4.9
163	156	Rightwise 10p	157	......	—	—	—

TEAS

India and Bangladesh

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
235	220	Assam Dooars £1	225	......	6.0	0.4	3.8
205	198	Assam Frontier £1	200	......	10.0	2.3	7.1
390	380	Lawrie Plants £1	385	......	18.5	2.9	6.9
332	287	McLeod Russel £1	332	......	15.0	1.0	6.5
290	268	Moran £1	275	......	‡8.0	0.8	‡
208	188	Williamson £1	288	......	12.5	2.4	8.6

Sri Lanka

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
400	355	Lunuva £1	390	......	†17.0	1.8	6.2

Africa

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
65	57	Ruo Estates	60	......	1.0	4.3	2.4

MINES

Central Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
£12¾	700	Durban Deep R1	£11	+½	Q460c	2.7	23.9
£12⅛	659	East Rand Prp. R1	871	+66	Q370c	3.1	24.3
£39⅛	£24	Randfont'n Est. R2	£28⅞	+¾	Q1100c	2.4	21.8
214	119	West Rand R1	163	+6	Q17½c	14.5	6.1

Eastern Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
188	123	Bracken 90c	158xd	+2	‡Q84c	1.5	‡
102	34	Cons. Modd'tein 5c	102	+5	—	—	—
143	77	East Dagga R1	138	−5	Q15c	0.8	6.2
466	342	ERGO R0.50	434	+14	†Q110c	1.5	14.3
455	249	Grootvlei 25c	419	+12	Q204c	1.2	27.8
713	492	Kinross R1	600xd	+25	‡Q191c	1.4	‡
155	94	Leslie 65c	131xd	+4	Q60c	1.4	26.2
240	143	Marievale R0.25	176	+6	Q120c	1.0	39.0
334	198	S. African Ld. 35c	290	+11	Q55c	1.5	10.9
130	76½	Vlakfontein 90c	127	+6	Q40c	1.4	18.0
£16	£10	Winkelhaak R1	£13¾xd	+¾	†Q453c	1.5	18.9
102	62	Wit. Nigel 25c	102	+1	Q3c	13.5	1.7

Far West Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
847	540	Blyvoor 25	735	+42	†Q285c	1.1	22.2
£21	£10⅝	Buffels	£20⅜	+⅞	†Q590c	1.5	16.6
240	161	Deelkraal R0.20	219	+7	Q5c	3.2	1.3
£11	614	Doornfontein R1	950	+22	mQ120c	3.7	7.2
£14	940	East Drie R1	£13⅛	+⅝	Q340c	1.2	14.8
403	243	Elandsrand Gld. 20c	294	+14	—	—	—
242	141	Elsburg R1	206	+9	Q78c	1.0	21.7
£35	£23⅝	Hartebeest R1	£29⅜	+¾	†Q1025c	1.2	20.0
£16¼	£12¼	Kloof Gold R1	£14⅞	+½	†Q320c	1.3	12.3
971	624	Libanon R1	860	+33	†Q200c	3.0	13.3
£18	£11¼	Southvaal 50c	£15	+¾	Q430c	1.8	18.9
£11⅞	685	Stilfontein 50c	961	+33	Q460c	1.4	27.4
£40	£27½	Vaal Reefs 50c	£32⅞	+1	Q1320c	1.5	23.4
630	375	Venterspost R1	611	+7	†Q200c	1.9	18.8
£40	£26	W. Drie R1	£35¼	+⅞	†Q1150c	1.2	18.7
389	218	Western Areas R1	308	+8	Q120c	2.1	22.3
£28½	£19	Western Deep R2	£22⅛	+⅝	Q800c	1.4	20.7
641	437	Zandpan R1	520	+17	†Q173c	1.0	19.0

O.F.S.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
300	214	Free State Dev. 50c	280	......	†Q35c	1.6	7.2
£25¼	£17¾	F.S. Geduld 50c	£22¾	+¼	Q950c	1.9	23.9
424	260	F.S. Saaiplaas R1	328	+4	φ—	—	—
£10½	624	Harmony 50c	803xd	+20	Q360c	φ	25.7
230	148	Loraine R1	226	+11	—	—	—
£24⅝	£16¼	Pres. Brand 50c	£20	+½	Q695c	2.2	19.9
£21½	£14½	Pres. Steyn 50c	£19¼	+¾	Q665c	1.4	19.8
£20⅜	£14½	St. Helena R1	£18¼xd	+¼	†Q723c	1.3	22.7
444	281	Unisel	339xd	+8	Q80c	2.8	13.5
850	560	Welkom 50c	747	+43	φQ280c	1.3	21.4
£38½	£27	W. Holdings 50c	£35¼	+1¼	φQ1500c	1.1	24.3

Finance

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
£15½	£11	Ang. Am. Coal 50c	£15½	......	Q108c	3.0	4.0
690	540	Anglo Amer. 10c	690	+5	†Q70c	1.9	5.8
£51⅝	£34½	Ang. Am. Gold R1	£42xd	+1½	Q1150c	φ	15.7
£20	£17	Ang-Vaal 50c	£19	......	†Q230c	φ	6.9
248	188	Charter Cons. 2p	243	......	†s8.0	3.2	4.7
520	420	Cons. Gold Fields	485	+7	§22.5	2.2	6.6
29	18	East Rand Con. 10p	29	+1	1.05	1.7	5.2
900	620	Gencor 40c	875	+25	Q150c	φ	10.3
£38½	£21⅞	Gold Fields S.A. 25c	£31½	+1⅛	†Q400c	1.9	7.3
£32½	£25¼	Jo'burg Cons. R2	£31½	+½	†Q475c	2.1	8.6
880	620	Middle Wit 25c	700	+20	†Q65c	2.2	5.3
710	520	Minorco $BD1.40	625	−40	φFQ30c	1.3	2.1
218	156	New Wit 50c	192xd	+2	†Q36c	1.4	10.7
£17½	£14⅝	Patino NV Fls.5	£16⅜	+½	QC50c	φ	1.1
255	185	Rand London 15c	242	......	Q13c	3.1	3.1
112	78	Rand London Coal	97	......	bQ14c	2.8	7.9
43	36	Do. Part. Cum. Pri.	37	......	bQ11.3c	—	16.9
335	230	Rand Min. Props.	290	−5	Q24c	2.1	4.7
382	289	Sentrust 10c	362	+4	NQ72c	1.6	11.4
131	105	Silvermines 2½p	128	−3	Q7½%	3.2	2.6
350	228	Tanks Con. 50p	348	......	Q12.0	1.6	3.4
90	86	Do. Pref. 80p	90	......	Q9%	27.7	8.0
£24¼	£17	T'vaal.Cons.Ld.R1	£24	......	Q215c	3.5	5.1
565	380	U.C. Invest R1	565	+5	Q150c	1.3	15.2
95	70½	Vogels 2½c	95	......	Q16c	1.6	9.6

Diamond and Platinum

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
£47	£36⅝	Anglo-Am.Inv.50c	£42½	+1½	†Q860c	1.1	11.6
418	340	De Beers Df. 5c	392xd	+9	Q75c	φ	11.0
800	650	Do. 40pc Pf. R5	750	......	Q200c	φ	15.2
425	285	Impala Plat. 20c	380	+5	Q100c	2.1	15.1
175	122	Lydenburg 12½c	164	+4	†Q33.2c	1.8	12.0
266	206	Rus. Plat. 10c	230	+8	φQ40c	2.5	10.2

Central African

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
[illegible]	[illegible]	Alex Corp. 16⅔p	42	......	0.56	8.5	—
[illegible]	[illegible]	Coronation 25c	146xd	......	Q90c	1.9	35.3
[illegible]	[illegible]	Falcon Rh. 50c	360	−10	Q205c	1.8	40.4
[illegible]	[illegible]	Roan Cons. [illegible]	110	......	Q0.53	5.8	26.5
59	38	Wankie Col. Rh.1	47	......	‡Q10c	1.7	‡
32	22	Zam.Cpr.$BD0.24	30	......	Q3½c	8.9	5.2

MINES—Continued

Australian

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
40	32	Acmex 50c	40	......	Q2.5c	—	3.3
23	14	ACM 20c	16	......	—	—	—
21	14	Argosy Gold NL 25c	19½	+½	—	—	—
194	137	Bond Corp.	194	+22	Q7½c	1.9	2.0
102	76	Bougainville I Kina	88	......	Q26.2c	1.0	15.5
302	214	CRA 50c	250	+9	Q19c	φ	3.9
25	17½	Canada Northwest	20	......	—	—	—
35	17	Carr Boyd 20c	21	......	—	—	—
415	210	Central Pacific	215	+5	—	—	—
35	35	Cons. Gold Mn. N.L. 50c	35	......	—	—	—
47	39	Cultus Pacific N.L.	41	+1	—	—	—
32	22	Eagle Corp. 10c	27	......	—	—	—
40	32	Endeavour 20c	36½	+1	—	—	—
500	310	G. M. Kalgoorlie 25c	415	+5	†Q13c	φ	1.6
25	13	Great Eastern	15	......	—	—	—
275	210	Hampton Areas 10p	220	......	t2.5	2.4	1.6
168	90	Haoma Gold N.L.	96	+4	—	—	—
85	45	Intl. Mining	55	......	—	—	—
245	140	Kitchener NL 25c	210	......	—	—	—
105	45	Leichardt Explo.	50	......	—	—	—
430	275	Meekatharra	370	......	—	—	—
68	49	Metals Ex. 50c	65	......	¶Q3c	2.9	2.4
33	20	Metramar Mns. 20cts.	23	......	—	—	—
252	190	M.I.M. Hldgs. 50c	252	+16	‡Q27.6c	1.7	‡
21	11½	Minefields Expl. 25c	14	+½	—	—	—
102	83	Mount Lyell 25c	102	......	φ†Q15c	1.7	7.6
20	14	Newmetal 20c	15	......	—	—	—
69	41	Nickelore N.L.	56	+2	—	—	—
204	149	North B. Hill 50c	174	+2	Q18c	3.1	5.4
84	50	Nth. Kalgurli	68	+2	—	—	—
172	94	Nth. Mining Corp.	172	......	—	—	—
122	55	N. West Mining N.L.	65	+1	—	—	—
138	106	Oakbridge 50c	138	+6	tQ12c	1.1	4.5
185	138	Oilmin N. L.	155	......	—	—	—
186	164	Pacific Copper	174	+4	—	—	—
605	475	Pancont'l 25c	580	+10	—	—	—
70	42	Paringa M&Ex.5p	70	......	—	—	—
520	375	Peko-Wallsend 50c	510	+20	φQ22½c	φ	2.3
115	85	Seltrust A	95	+5	—	—	—
157	7¼	Southern Pacific	88	+1	—	—	—
72	44	Swan Resources 20c	45	......	—	—	—
139	11½	West Coast 25c	12½	−1	—	—	—
293	227	Westn. Mining 50c	290	+17	Q14c	1.6	2.5
27	19	Westmex	22	......	—	—	—
76	50	Whim Creek 20c	60	......	—	—	—
101	73	York Resources	91	−5	—	—	—

Tins

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
16	10	Amal Nigeria 1p	10	......	‡6.0	—	—
300	260	Ayer Hitam $M1	270	......	‡Q205c	1.0	‡
67	54	Beralt Tin	57	......	4.5	3.2	11.3
155	130	Geevor	130	......	‡8.4	1.9	‡
9½	8	Gold & Base 12½p	9½	......	—	—	—
660	590	Gopeng Cons.	590	......	30.0	1.8	7.3
450	390	Hongkong	390	......	21.0	φ	7.7
125	115	Idris 10p	118	......	26.0	φ	7.3
15	13	Jantar 12½p	15	......	1.5	φ	14.3
98	92	Kamunting $M0.50	92	−1	‡Q80c	1.0	‡
725	545	Killinghall $M1	725	......	Q100c	φ	2.7
114	88	Malay Dredging 10c	114#	......	φhQ38c	0.9	6.4
55	30	Pahang	55	......	0.44	8.3	1.1
103	95	Pengkalen 10p	95	......	3.5	0.6	5.3
380	360	Petaling $M1	380	......	Q180c	φ	9.2
24	19	South Crofty 10p	22	......	‡1.0	φ	‡
225	200	Sungei Besi $M1	205	......	‡Q480c	1.1	‡
135	95	Supreme Corp. $M1	130	......	gQ15½c	φ	2.3
118	116½	Tanjong 15p	117	......	21.5	φ	1.9
90	80	Tongkah H. Tin I$m	80	......	Q23%	8.4	5.7
410	350	Tronoh $M1	370	......	‡Q250c	8.7	‡

Copper

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
280	165	Messina R0.50	280	+15	Q45c	4.7	9.2

Miscellaneous

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
170	142	Anglo-Dominion	170	+10	—	—	—
55	40	Barymin	43	−2	—	—	—
15½	14	Burma Mines 10p	14½xd	......	0.75	φ	7.4
315	180	Colby Res. Corp.	250	+28	—	—	—
255	200	Cons. Murch. 10c	250	......	tQ30c	1.8	6.9
95	75	††Hemerdon 10c	95	......	—	—	—
180	135	Highwood Res.	155	−5	—	—	—
400	300	Northgate C$1	350	−20	—	—	—
478	372	R.T.Z.	470	+3	t16.0	3.2	4.9
£111	£93½	Do 9¼% Cn.Un.Ln.'95-2000	£110½	......	Q9½%	—	f9.0
143	127	††SPO Minerals 10p	130	......	—	—	—
47	33	Sabina Inds. C$1	36	......	—	—	—
38	28	††SWCM 10p	31	−1	—	—	—
550	465	Tara Exptn. $1	535	+35	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- φ Figures or report awaited.
- ⁂ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- ‡ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ** Regional price.
- ‖ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. ★★ Available only to UK pension schemes and insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. x Prospective real rate of return. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1981-82. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1980-81. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Stock	Price	+ or −
Albany Inv. 20p	41	......
Bertam	13	......
Bdg'wtr. Est. 50p	540xd	......
Craig & Rose £1	£11¾	......
Fife Forge	54xd	−1
Finlay Pkg. 5p	20	......
Graig Ship. £1	£21	......
Higsons Brew	68	......
Holt (Jos) 25p	415	......
I.O.M. Stm. £1	160	......
Pearce (C. H.)	930	+20
Peel Hldgs.	92	......
Sheff. Refrshmt	165	+2
Sindall (Wm.)	135	......

IRISH

Stock	Price	+ or −
Conv. 9% '80/82	£94	......
Nat. 9¾% 84/89	£75¾	......
Fin. 13% 97/02	£[illegible]¼	......
Alliance Gas	73	......
Arnott	240	......
Carroll (P.J.)	36	+2
Concrete Prods.	90	......
Heiton (Hldgs.)	28	......
Ins. Corp.	395	......
Irish Ropes	58	......
Jacob	50	......
T.M.G.	23½	+½
Unidare	88	......

OPTIONS

3-month Call Rates

Stock	Rate	Stock	Rate	Stock	Rate
Industrials		House of Fraser	14	Utd. Drapery	6½
A. Brew	6½	I.C.I.	20	Vickers	15
BOC Intl.	11	"Imps"	7	Woolworths	5
B.S.R.	4½	I.C.L.	6		
Babcock	11	Ladbroke	30	**Property**	
Barclays Bank	36	Legal & Gen.	20	Brit. Land	8
Beecham	15	Lex Service	10	Cap. Counties	12
Blue Circle	35	Lloyds Bank	28	Land Secs.	37
Boots	20	"Lots"	4½	MEPC	20
Bowaters	24	London Brick	7	Peachey	15
Brit. Aerospace	14	Lucas Inds.	18	Samuel Props.	13
B.A.T.	25	"Mams"	20	Town & City	2¾
Brown (J.)	7	Mrks. & Spncr.	9		
Burton Ord.	12	Midland Bank	26	**Oils**	
Cadburys	7½	N.E.I.	7	Brit. Petroleum	36
Courtaulds	6	Nat. West. Bank	32	Burmah Oil	16
Debenhams	9	P & O Dfd.	15	Charterhall	9
Distillers	17	Plessey	30	KCA	22
Dunlop	7½	Racal Elect.	34	Premier	10
Eagle Star	22	R.H.M.	5	Shell	34
F.N.F.C.	3½	Rank Org. Ord.	18	Tricentrol	30
Gen. Accident	30	Reed Intnl.	20	Ultramar	44
Gen. Electric	60	Sears	5		
Glaxo	28	Tesco	5½	**Mines**	
Grand Met.	34	Thorn EMI	30	Charter Cons.	21
G.U.S. 'A'	44	Trust Houses	18	Cons. Gold	45
Guardian	32	Tube Invest.	18	Lonrho	9
G.K.N.	16	Turner & Newall	10	Rio T. Zinc	45
Hawker Sidd	25	Unilever	50		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

FINANCIAL TIMES

Saturday April 4 1981

MAN OF THE WEEK

Extra special agents

BY DAVID BUCHAN

HE IS 35 years old, nearly five of those spent at college. He has nine years' experience at his job, some of it scrutinising currency, government cheques and bonds. He earns $32,000 a year and wears three-piece business suits.

A banker from Main Street, America. No, a typical special agent of the U.S. Secret Service, first set up after the Civil War to check rampant counterfeiting but now far better known as the Praetorian Guard that surrounds American Presidents, and a man at home with sub-machine guns and trained to put himself between the Chief Executive and an assassin's bullet.

Two of their number have become heroes of the hour, commended in a Congressional Resolution for their quick reactions last Monday afternoon. Practice and presence of mind paid off, as agent Tim McCarthy stepped into John Hinckley's line of fire and blocked one of the bullets aimed at President Reagan, and agent Jerry Parr propelled the wounded Mr. Reagan into his car, all in a couple of seconds.

The Secret Service is being given virtually full marks, with the finger of blame pointed elsewhere — *in particular to the* Federal Bureau of Investigation for not passing on information about Hinckley's earlier activities. Mr. Donald Regan, whose treasury department has overall responsibility for the secret service, has been quick to claim that this was an omission by the FBI, the Attorney General's baby.

Nonetheless, the Secret Service will have to redouble protection on whatever rate of future appearances President Reagan cares to make. This is *a fear that one assassination* attempt can spark others: this happened to President Ford in 1975.

This comes on top of the fact that 1980 was a hard year for the Secret Service, which in fact had to start supplying protec*tion for presidential candidates* as early as the previous October. Then of course, defeat of an incumbent president always creates more work, since he, his wife and any minority age children (Amy Carter) are entitled to a secret service detail, *as is a former Vice-President* temporarily for six months.

The roster of those entitled to regular protection now reads: Two Nixons, Two Fords, Three Carters, One Mondale, Seven Reagans, Two Bushes, Lady Bird Johnson and Mrs. Harry Truman.

Tto an outsider, Secret Service protection work seems long bouts of boredom interspersed with random danger. Special agents, the 1,500-strong plain-clothers branch, generally dispute this, noting they spend most of their time on the move, planning presidential trips or making them, while tedious jobs like guarding the White House and foreign embassies in Washington are left to a uniformed branch of the service.

Agents make no pretence of listening to the endless public speeches made by their wards. Instead, they scan audiences for possible trouble. Reward for their vigilance is of course proximity to the high and mighty.

Every agent knows the risks, but *surprisingly* until Mr. McCarthy was shot in the Monday melee, no Secret Service agent had been wounded or killed while protecting a president since Congress gave the agency that formal task at the turn of the century after President McKinley's assassination.

This has been pure luck. Agents practise at a special school now just outside Washington how to deal with assaults on presidents, with the instructions, first, to ensure the safety of a president, and second, to catch the assailant. That was in fact the split second order of events outside the Hilton.

Agents are trained to almost never fire their weapons, since their prime task is to shield a president not to mow down an attacker. Nonetheless, all agents *(including some 21 pant-suited* women agents) are trained on revolvers, rifles and Israeli-designed submachine guns.

The service is self-consciously an elite, with a low turnover of less than 3 per cent departing a year. A minimum of four years college education is required. Part of the reason for this is the sometimes complex work against counterfeiting which is a main task of the service's 60 field offices.

Perhaps due to harder economic times, forgery has been on the rise. Last year the *service seized $60m in fake* notes—$55m it proudly boasted before they entered circulation. Mr. Reagan may also have cause to thank the service for doing its little bit to control the money supply.

N. Sea gas pipeline plans changed

BY SUE CAMERON AND RAY DAFTER

BIG CHANGES in plans for the proposed £2bn North Sea gas gathering project were unveiled yesterday.

The organisers of the pipeline project—including representatives of British Gas, Mobil and British Petroleum — gave details of their new proposals in London at a packed meeting with potential investors in the scheme. The revamping envisages:

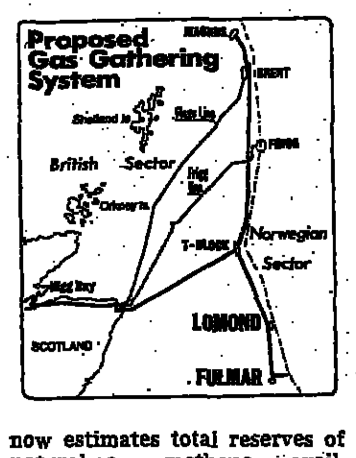
- A northern spur line linking the Murchison and Magnus fields will no longer be part of the main gas gathering system, at least during the initial stages of the project. Gas from Murchison, Magnus and Thistle fields will be brought ashore via *Shell/Esso's Brent Field* line.
- Plans for the southernmost 50-mile stretch of the gas gathering system—from the Lomond field to the Fulmar Field—have been shelved.
- A junction platform, roughly halfway down the main pipeline, is to be replaced by an underwater steel manifold. This is expected to save between £200m and £300m because of lower construction costs.
- The total cost of the new system—in cash terms—has risen from £2bn to £2.7bn. This represents an increase of £740m over the estimates made at the end of last year.

It became clear at yesterday's meeting—held in the cinema at BP's Britannic House headquarters—that the financing of the scheme still faces problems. A consortium of banks, led by the Bank of Scotland, has been set up to raise an initial £700m. But they are thought to be insisting that they can only provide funds against the assurance of gas reserves in fields which have already been given Government development approval.

This means that industry will have to provide a substantial part of the early financial backing.

Much of the gas scheduled to be carried in the new pipeline is from fields which have not yet been given development approval—and overall estimates of potential gas reserves have been scaled down.

The organising committee announced yesterday that it



now estimates total reserves of natural gas — methane — available for the new system could be 11 trillion (million, million) cubic feet (tcf). This figure is 1.3 tcf lower than the estimates given last summer when the Government gave the go-ahead for the pipeline project.

But the organising committee warned that the reserves could eventually prove to be anything between 8 tcf and 14 tcf.

The amount of natural gas liquids to be carried through the new line—these will be used as raw materials for making petrochemicals—has also been downgraded.

The latest estimate of the gas liquid reserve is 65.9m tonnes —almost one-third lower than the 93.5m tonnes figure last summer.

It is planned for the propane and butane gas liquids to be piped from St. Fergus on the Scottish coast — where all the gas will be landed — to Nigg Bay on the Cromarty Firth. But there is still uncertainty about the initial destination of the ethane gas stream in which a number of petrochemical companies have expressed interest.

The entire project has been put back from 1984 to the winter of 1985. Construction of the offshore pipeline is now scheduled to start in 1983.

An interim pipeline company, with a nominal equity, is therefore to be set up. The original date for establishing this company was April 1. But it is now thought that the earliest the company can be brought into being is the end of May.

Bank staff union to press on with second-phase pay action

BY PHILIP BASSETT, LABOUR STAFF

THE BANKING, Insurance and Finance Union decided yesterday to press ahead with the second stage of its programme *of industrial action if the clear*ing banks refuse to improve their 10 per cent pay offer. The action will include 24-hour strikes at High Street bank branches.

The intensification of the dispute by the BIFU executive is in spite *of the fact* that the Clearing Bank Union reached agreement late on Thursday on a similarly sized increase. The CBU obtained a commitment from the banks that the offer would not be improved for the other union.

However, the BIFU decision is tempered by several facts. It has not set a date for the second stage of action. It has agreed to meet negotiators of the Federation of London Clearing Bank Employers on Wednesday and, less than complete support for *further action has been shown* by a ballot.

Mr. Leif Mills, BIFU general secretary, said the union would be pressing for an increase in the offer. If that was not forthcoming, then a special executive meeting of the union on the following Sunday, at the start of the union's annual conference in Blackpool, would set a date for the start of new action.

The 24-hour stoppages and a *strict work-to-rule would be* in a range of areas across the country where support for action has been shown by ballot to be the strongest.

These include: Midland and National Westminster bank branches on Merseyside; Bar*clays' cash centre* at *Woolston*, near Warrington; members in South Yorkshire, the Midlands, some parts of the South West, Avon and London's West End; and two cash centres in South Wales. The first stage included action at cheque-processing computer centres.

The banks seem extremely unlikely to improve their offer, partly because of their determination to make a stand on 10 per cent, and partly because of their commitment to the CBU.

Mr. Mills said: "As far as we are concerned, if next Wednesday does not bring any improvement then we are in for a severe escalation of industrial action." However, in the union's ballot some bank branches rejected the proposal for action.

The CBU has said the banks are ready to pay the 10 per cent increase into salaries. Though it claims some 90,000 members *in Barclays, National* Westminster and Lloyds, it has no members in either Midland or Williams and Glyn's banks, and the BIFU warned that if any attempt were made by the banks to impose the settlement on staff in these and other areas not *represented by the CBU* "the balloon would go up."

The BIFU executive authorised yesterday a ballot of all its 73,000 clerical and technical and services' members in the big five banks on a third stage of industrial action if necessary.

The executive also decided to ballot on taking industrial action its 1,600 members at the Joint Credit Card Company, which controls the clearing banks' Access card operations. The ballot could be held as early as next week to allow the union to consider it at the Blackpool meeting.

Though the dispute at the Southend-based card company is over local grading, it has become involved in the wider action over the clearing banks' pay negotiations.

Move to assist new businesses

By Tim Dickson and Andrew Fisher

ENCOURAGEMENT OF new businesses, more generous treatment for the redundant, and a shifting of the tax burden on car benefits from employees to companies are key elements in the Finance Bill published yesterday.

As well as introducing higher duties on drinks, tobacco, and petrol, the Bill also closes the loophole exploited by the Vestey family and others to avoid UK taxes.

Through the Business Start-Up Scheme, which gives full tax relief on investments of up to £10,000 in new companies, the Government hopes to boost the formation of manufacturing ventures.

The shift to employers of responsibility for taxing company car benefits, likely to include provision of petrol for private use by the time the Bill becomes law, is the first step in the Government's policy of simplifying the way the pay as you earn system deals with perks.

One part of the Bill generally welcomed contains new provisions for taxing "golden handshakes." Most workers who become redundant will now pay no tax on lump sum termination payments.

Details, Page 6

Treasury bill rate drops again

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE TREASURY bill rate dropped yesterday for the third week in succession and the City financial markets remain cautiously optimistic about the chances of a further cut in Minimum Lending Rate in the next couple of months.

Prices of gilt-edged stocks also remained firm ahead of the publication on Tuesday of the mid-March money supply figures.

The Treasury bill rate slipped by 0.1 percentage points to 11.43 per cent at yesterday's tender. While this is still consistent with the present MLR of 12 per cent, the recent trend of short-term interest rates has been downwards.

Three-month interbank rate— a key influence on the cost of part of the clearers' deposits— has dropped by ⅜ of a point to 12$\frac{5}{16}$ per cent in the last fortnight.

The gilt-edged market remains cautious both because of the large part-payments due on gilts in the next few weeks and because of uncertainty about the Civil Service dispute *(though this has so far had* only a limited impact on financial flows in the City).

The markets will be looking for a lead from the mid-March monetary figures. While the money supply is likely to have been boosted slightly by the Civil Service dispute, little change is expected in sterling M3, the broadly defined money supply.

Analysts' estimates range from plus 1 per cent to minus 1½ per cent. The figures should take the growth of the money supply since the end of last year down to well within the official target range.

The continuation of the civil *service dispute may affect the* timing of any cut in MLR. Since the Budget, Ministers have repeatedly stressed that a main aim of the reduction in public sector borrowing is a lower level of interest rates.

Move to block Benn

Continued from Page 1

to Mr. Benn for his failure to consult his Left-wing colleagues before announcing his candidature.

A possibility is that other Left-wingers who do not agree with Mr. Benn will stand for the deputy leadership in order to split his vote. Mr. Eric Heffer is coming under pressure to do so and Mr. John Silkin, who at present does not intend to stand, could change his mind if he thought it would lessen the damage done by Mr. Benn.

Mr. Hattersley, a co-chairman of Labour's Solidarity Campaign which aims to recover ground lost to the Left, admitted in his speech that a six-month campaign to unseat Mr. Healey would inevitably highlight and intensify disputes within the party. He spoke of the "appalling dangers which faced the Labour party."

He outlined policies around which unity could be based involving a number of compromises by the Left. "Perhaps most important of all those people who are determined to impose their own views on the party irrespective of electoral prospects . . . must either accept the essential compromises that make the Labour Party work or must b ebeaten at their annual conference," he said.

School microcomputer boost

BY ELAINE WILLIAMS

THE Government plans to have a microcomputer in every secondary school by the end of next year. The plan is part of a scheme to help children come to terms with a society increasingly influenced by the microchip.

Details are to be announced by the Prime Minister on Monday, Mr. Neil Macfarlane, Education Under Secretary, said in the Commons yesterday.

The Industry Department will provide cash for the programme, which will be launched in conjunction with local education authorities. Mr. Macfarlane did not reveal the amount involceved, but it is known that the Department will provide half the cost of a school's expenditure on microcomputers.

Total expenditure by the Department could be about £20,000 although the scheme will cover only those schools without any equipment. There are more than 5,000 secondary schools in the UK, half of which already have computers.

The Department has nominated two suppliers for the scheme. These are believed to be the Cambridge based Acorn Somputers and Positron Computers.

Positron Computers is a new company announced at the beginning of March to make personal computers for the education market. It received £265,000 in share capital from the National Enterprise Board.

The Department of Industry gave £60,000 towards research *costs of the BBC's forthcoming* series because it wanted to encourage the understanding of computers.

However, Sinclair Research, a UK maker of personal computers, is ti challenge the Government initiative by offering *schools an alternative scheme* which the company will subsidise. Mr. Clive Sinclair, the company's founder, is upset that his company was not asked for its views or given the chance to tender.

Weather

UK TODAY

Mostly dry, warm, sunny periods.

London, S., S.W. and N. England, Channel Isles, E. Midlands
Sunny periods, dry. Max. 12-14C (54-57F).

S.E. England, E. Anglia
Sunny periods. Max. 12-13C (54-55F).

E. and N.E. England, Borders
Sunny periods inland. Max. 11-12C (52-54F).

W. Midlands, Wales, I. of Man, N. Ireland, Scotland (except N.)
Sunny periods, early frost in N. Max. 12-15C (54-59F).

N. Scotland, Orkney, Shetland
Early frost, sunny periods, cloudy later. Max. 9-10C (48-50F).

Outlook: Dry, sunny intervals, cold in E.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	17	63	L. Ang.†	S	10	50
Algiers	C	14	57	Luxmbg.	C	10	50
Amsdm.	C	10	50	Luxor	F	29	84
Athens	C	17	63	Madrid	C	13	55
Behrain	S	21	70	Majorca	R	13	55
Barclna.	C	15	59	Malaga	F	19	66
Beirut	F	18	64	Malta	S	21	70
Belfast	S	13	55	M'chstr.	F	13	55
Belgrd.	C	8	46	Melbne.	F	29	84
Berlin	F	12	54	Miami†	F	21	70
Biarritz	C	13	55	Milan	F	19	66
Bmghm.	C	9	48	Montrl.†	S	3	37
Blackpl.	S	10	50	Moscow	C	8	46
Bordx.	S	19	66	Munich	S	16	61
Boulgn.	C	7	45	Nairobi	C	25	77
Bristol	C	11	52	Naples	C	17	63
Brussels	R	10	50	Nwcstl.	F	9	48
Budpst.	S	10	50	N York†	S	10	50
Cairo	F	23	73	Nice	S	16	61
Cardiff	S	12	54	Nicosia	F	19	66
Cas'b'ca	F	19	66	Oporto	C	14	57
Chicg.†	F	8	46	Oslo	C	5	41
Cologne	C	12	54	Paris	C	12	54
Cpnhgn.	F	7	45	Perth	C	22	72
Corfu	F	16	61	Prague	S	13	55
Denver†	C	7	45	Reykjvk.	R	6	43
Dublin	C	8	46	Rhodes	F	18	64
Dbrvnk.	F	17	63	Rome	F	17	63
Ednbgh.	F	10	50	Salzbrg.	F	14	57
Florence	S	19	66	S F'cisc†	S	8	46
Frankft.	S	17	63	S'tiago		—	—
Funchal	C	18	64	Stckhm.	S	11	52
Gibraltar	F	18	64	Strasbg.	F	16	61
Glasgow	F	13	55	Sydney	R	22	72
G'msey	C	9	48	Tangier	C	15	59
Helsinki	F	6	43	Tel Aviv	F	19	66
Innsbrk.	S	17	63	Tenerife	F	14	57
Invrnss.	S	9	48	T'ronto†	F	11	52
I.o.Man	S	9	48	Tunis	S	22	72
Istanbul	C	7	45	Valencia	R	13	55
Jersey	C	11	52	Venice	F	17	63
L. Plms.	C	19	66	Vienna	F	10	50
Lisbon	C	14	57	Warsaw	F	9	48
Locarno	S	17	63	Zurich	C	14	57
London	F	10	50				

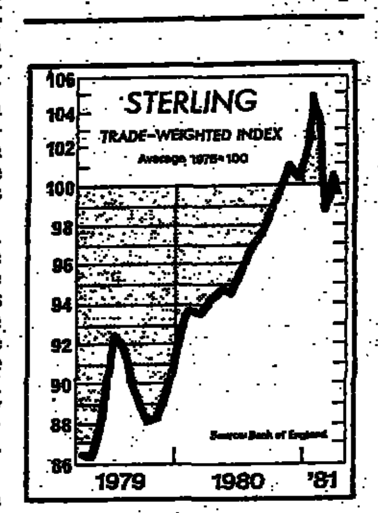
C—Cloudy. F—Fair. R—Rain. S—Sunny.
† Noon GMT temperatures.

THE LEX COLUMN

The City after rescue week

It has been rescue week in the City. Reconstruction packages have been unveiled in quick succession for Duport, Weir Group and BPC. Following on the earlier proposals for Stone-Platt, the financial community has been able to breathe a sigh of relief that four major industrial collapses have been averted. It will be a little while before all the various proposals are agreed, signed and sealed; and although the patients will by then be out of intensive care they will not be finally off the danger list. Still, the week's developments have allowed the clouds to lift and may well have contributed to the greater sense of optimism which has carried the All-Share Index to a new all-time peak (though yesterday it could not quite hold Thursday's level).

Index fell 2.3 to 539.6



The big anxiety through the winter has been that the depth of the industrial slump would be serious enough to overwhelm large numbers of major companies. But it has become clear that although the profits of many businesses have collapsed, it has been possible in most cases to keep borrowings under control. The known rescues have all involved companies with serious management shortcomings or—in the case of Duport—exposure to catastrophically bad conditions in the steel industry. By and large, companies have been able to tighten their belts and survive.

Thus national income figures released this week suggested that the gross trading profits of industrial and commercial companies fell only by about a sixth in the second half of 1980 compared with the level a year earlier, and after allowing for stock appreciation (and stripping out North Sea oil profits) the fall was no more than 13 per cent or so. More significantly still, by the final quarter companies managed to halt the cash outflow suffered *earlier in the year*.

The stock market's eyes are now on a profits recovery. Next year the potential jump in pre-tax profits, admittedly from a low base, is estimated at some 50 per cent by brokers Simon and Coates, while a "very big" advance is indicated by Phillips and Drew. But first companies have to survive the first half of the current year, generally considered likely to mark the profits nadir.

And even when the profits rally begins to come through, there will be a snag. It is one thing to keep cash requirements down when the business is shrinking and large volumes of stocks are being unloaded. In the past year, companies have probably shed stock to the tune of over £4bn. That is principally why the corporate sector financial deficit fell from £4.4bn to £2.8bn last year. But when business starts to rise, the cash flow picture will change radically. A recovery in profits would ease the problems, however, both directly and by making it much easier for companies to tap the long term capital markets.

Rail finance

The man from the Pru could have a stake in your local level crossing, if proposals currently being discussed in the City come to fruition. The idea is to finance some of British Rail's ambitious capital spending projects with private sector finance —and so make possible viable projects which would otherwise be stuck in the straitjacket of public sector borrowing constraints.

One such scheme is the electrification programme, and a meeting is planned for Monday between BR, merchant bank Morgan Grenfell, and three of the big manufacturing companies most likely to be involved —BICC, GEC, and Hawker Siddeley. These three are keen to help BR get work started as soon as possible, but for obvious reasons are unwilling to provide all the money, or anything like it, themselves. The programme could cost £600m at today's prices by the end of the century.

One possibility under consideration is that a consortium could be set up by BR, the [illegible] manufacturers, and the [illegible] ing institutions which would [illegible] up the money in tranches [illegible] £200m every five years, [illegible] effectively take a rental [illegible] BR. Perhaps four-fifths of [illegible] money would be in the form [illegible] medium-term debt, with [illegible] interest cost set below pre[illegible] ing market rates. The [illegible] would be in the form of equ[illegible] with the return tied to reve[illegible] from the project.

In a similar fashion, priv[illegible] sector finance could also [illegible] pulled into projects like [illegible] renovation of the Gatwick [illegible] Victoria line, jumbo ferries [illegible] the North Sea, and le[illegible] crossing installations.

There are precedents for [illegible] joint enterprises. Ten years [illegible] BR set up a scheme for financ[illegible] rolling stock which invol[illegible] GEC among others, and e[illegible] earlier than that Eng[illegible] Electric leased out engi[illegible] However leasing is a forbid[illegible] word these days at the Treas[illegible] which tends to look [illegible] suspiciously at bright ideas [illegible] raising private money [illegible] nationalised industries. For [illegible] stance, nothing has been he[illegible] of the mooted offer of bo[illegible] from British Telecom since [illegible] arrived in the Treasury's [illegible] tray.

Critics of the BR proposal[illegible] which are at a very early sta[illegible] of discussion, may say that the[illegible] are an expensive way of gettin[illegible] around the absurd restrictio[illegible] imposed by the Governmen[illegible] inadequate book keepi[illegible] methods. The institutions w[illegible] want a premium return for [illegible] extra risk involved in equit[illegible] type finance, and so the whol[illegible] package would be more expe[illegible] sive than would be the case [illegible] it was to be financed by strai[illegible] debt. But the equity part [illegible] necessary to take the devel[illegible] ment of the Government [illegible] balance sheet.

On the other hand, it ma[illegible] actually be sensible for th[illegible] Government to share some [illegible] the risk involved in majo[illegible] public sector projects. Th[illegible] equity element could lead to a[illegible] improved level of accountabilit[illegible] within this giant enterprise, an[illegible] would help to reduce finan[illegible] costs in the early stages of t[illegible] development.

Maybe the idea will not secu[illegible] official approval. But if t[illegible] private sector is willing [illegible] stump up funds on a commerc[illegible] basis, the shortcomings of [illegible] system of public sector fina[illegible] which makes no distincti[illegible] between current and capi[illegible] spending would be underli[illegible] thirty three times.

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